Alberta

Freedom To Create. Spirit To Achieve.

Tourism, Parks and Recreation

Annual Report
2010-11

Government of Alberta

Note to Readers:
Copies of the annual report are available on the website or by contacting:

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Tourism, Parks and Recreation

Annual Report 2010-11

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta contains the ministers' accountability statements, the consolidated financial statements of the province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

This annual report of the Ministry of Tourism, Parks, and Recreation contains the minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- **the financial statements of entities making up the ministry including the Department of Tourism, Parks and Recreation and provincial agencies for which the minister is responsible; and**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.**

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2011, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at May 20, 2011, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Original Signed by
Cindy Ady
Minister of Tourism, Parks and Recreation

Message From the Minister

The Ministry of Tourism, Parks and Recreation is committed to making Alberta the best place in the world to live and visit. We help develop and promote Alberta's $5 billion tourism industry, showcase the province's natural beauty through our network of provincial parks, and encourage and support healthy, active lifestyles.

Implementation of Alberta's *Plan for Parks* continued in 2010-11, and included work to establish new parks legislation that clarifies the types of activities allowed in provincial parks. New legislation will help support the achievement of the conservation, recreation and tourism objectives outlined in the *Land-use Framework*. We are collecting feedback from Albertans on new proposed legislation.

Our popular online campsite reservation service – www.Reserve.AlbertaParks.ca – was expanded in 2010-11 with 25 more campgrounds added to the website. Visitors can now see panoramic photographs of 50 campgrounds and find real-time information on campsite availability. Work to improve and enhance the service will continue, with the long-term goal of providing a one-stop shop for provincial parks.

As we encourage Albertans and visitors to get outdoors and enjoy our provincial parks, we worked with stakeholders and 10 other ministries to develop an Active Alberta policy to address challenges of Canada's increasingly sedentary lifestyles. We received feedback from Albertans and stakeholders on a draft policy and plan to release the final version in 2011.

We also worked with other provinces on tourism-related issues in 2010-11, including work on an Open Skies declaration. Open skies air service agreements are an important part of fostering and encouraging trade and travel to Canada and individual provinces. In June 2010, Premier Stelmach and six other premiers signed a declaration calling on the federal government to liberalize air service agreements to allow for increased options and efficiencies, and for increased competition and reduced prices for travellers.

Air access is a critical component of attracting travellers to Alberta. In July 2010, following the announcement of Approved Destination Status for Canada from China, meetings were held with primary Chinese air carriers to discuss direct air access to Alberta from China. We also met with targeted developers to showcase the tourism investment opportunities available in our province. Similar opportunities were given to investors and developers in the United Arab Emirates.

We are proud of the progress we have made, and we are committed to finding innovative ways to maintain and build on our success in 2011-12.

Original Signed by
Cindy Ady
Minister of Tourism, Parks and Recreation

Management's Responsibility for Reporting

The Ministry of Tourism, Parks and Recreation includes the Department of Tourism, Parks and Recreation; Travel Alberta; and the Alberta Sport, Recreation, Parks and Wildlife Foundation.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Tourism, Parks and Recreation. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information agrees with the underlying data and the sources used to prepare it.
- Understandability and Comparability – Current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – Performance measures and targets match those included in Budget 2010.

As deputy minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

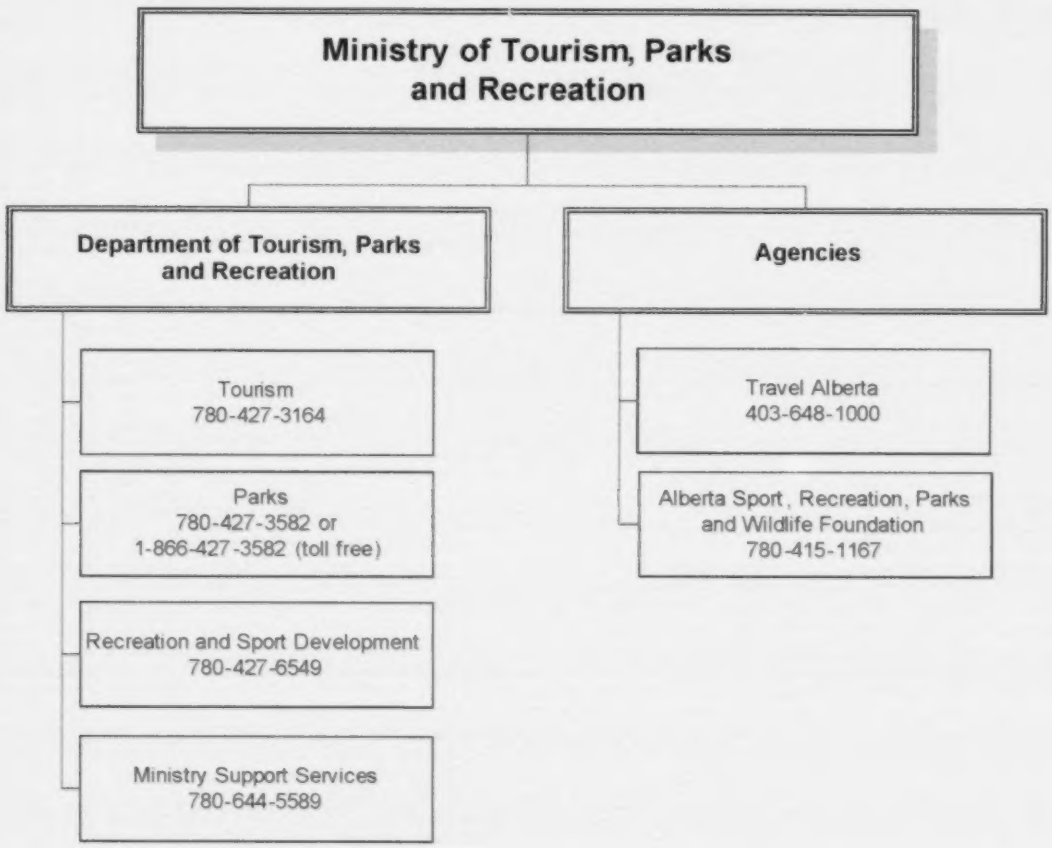
- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board, the Minister of Finance and Enterprise and the Minister of Tourism, Parks and Recreation information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.

Original Signed by
Bill Werry
Deputy Minister of Tourism, Parks and Recreation
May 20, 2011

Results Analysis

Ministry Overview



The ministry consists of the department; Travel Alberta; and the Alberta Sport, Recreation, Parks and Wildlife Foundation. The following description of the ministry's structure provides an overview of the range of programs and services available.

Department

1. Tourism

The Tourism Division facilitates the growth and expansion of marketable tourism products and destinations. It supports the tourism industry and other provincial stakeholders in developing policy and planning initiatives, conducts research, collects and distributes tourism data and market intelligence to the tourism industry, and supports product development and visitor services. The division also provides advisory services and information to tourism operators and stakeholders to facilitate the development and improvement of Alberta's private and public sector tourism products and assets. Additionally, it encourages private sector investment in Alberta's tourism industry from domestic and international sources, and works with Parks Canada on tourism product development and tourism resource management on federal park lands. The division also encourages the federal government to adopt policies that enhance air service to Alberta. Information and travel counselling are provided through the 1-800-ALBERTA Travel Alberta Contact Centre, Travel Alberta visitor information centres, and community and regional visitor information centres.

2. Parks

The Parks Division is responsible for the management of Alberta's parks system, which includes 481 parks, ranging in size from very small to very large land bases. Alberta's provincial parks system covers more than 27,500 square kilometres, or approximately four per cent, of the province. Alberta's provincial parks are maintained as a legacy for future generations while supporting a rich diversity of opportunities and uses. The system is managed to balance recreation with conservation, to provide quality recreation experiences, promote healthy ecosystems and environments, and contribute to the province's economy through domestic, national and international tourism. Through engagement of Albertans and collaboration with government, municipalities and other partners, the Alberta parks system contributes to Albertans' overall quality of life. The division also maintains the Alberta Conservation Information Management System, which is the province's biodiversity database, and coordinates Alberta's involvement in the Canadian Heritage Rivers Program.

3. Recreation and Sport Development

The Recreation and Sport Development Division provides leadership and support to help Albertans lead active, healthy lifestyles. The division promotes and supports the development of recreation, active living and sport opportunities to contribute to improved quality of life outcomes. The division supports leaders who play a key role in the delivery of recreation, active living and sport programs and services that promote the health, social and economic benefits of participation. The division collaborates with individuals, organizations, communities, the private sector, and municipal, provincial, national and international governments and agencies to enhance recreation, active living and sport programs and services. The provincial sport system is supported through athlete training, development of coaches and the pursuit of excellence through interprovincial and international games. The division encourages recreation opportunities by assisting in the development of trails and through support to groups building trails. The division also provides consultative and administrative support to the Alberta Sport, Recreation, Parks and Wildlife Foundation.

4. Ministry Support Services

Ministry Support Services includes the minister's office; deputy minister's office; communications; human resource services; financial services; policy, planning and legislative services; and information management and technology services. These services are provided to the entire ministry to optimize operating efficiency.

Agencies

1. Travel Alberta

Tourism marketing initiatives are carried out through Travel Alberta, the tourism marketing agency of the Government of Alberta. Travel Alberta manages regional, national and international tourism marketing programs and also provides cooperative tourism marketing support to industry through the six tourism destination regions across the province. Travel Alberta also administers TravelAlberta.com, the province's official information web portal to assist with vacation planning and links to attractions, events and tourist destinations across Alberta.

2. Alberta Sport, Recreation, Parks and Wildlife Foundation

The Alberta Sport, Recreation, Parks and Wildlife Foundation is committed to helping people lead active, healthy lives and enhancing the quality of life in Alberta's communities. The foundation provides provincial leadership in inspiring wellness, celebrating achievement, guiding stewardship and enabling participation for all Albertans. It offers a wide variety of programs and services from grant programs that assist local clubs, organizations, communities, provincial sport and recreation organizations; to the support provided to provincial and interprovincial games, and the preservation of natural land and wildlife habitat throughout Alberta.

AUDITOR GENERAL *Alberta*

Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as "Reviewed by Auditor General" in the *Ministry of Tourism, Parks and Recreation's 2010-11 Annual Report*. These performance measures are the responsibility of the Ministry and are prepared based on the following criteria:

- Reliability – Information agrees with the underlying data and with sources used to prepare it.
- Understandability and Comparability – Current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – Performance measures and targets match those included in Budget 2010.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to my Office by the Ministry. My review was not designed to provide assurance on the relevance of these performance measures.

A review does not constitute an audit and, consequently, I do not express an audit opinion on the performance measures.

Based on my review, nothing has come to my attention that causes me to believe that the "Reviewed by Auditor General" performance measures in the Ministry's 2010-11 Annual Report are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above. However, my review was not designed to provide assurance on the relevance of these performance measures.

[Original signed by Merwan N. Saher, CA]

Auditor General

May 12, 2011

Edmonton, Alberta

Performance Measures Summary Table

Core Businesses/Goals/Performance Measure(s)	Prior Years' Results				Target	Current Actual
Tourism development, research and marketing						
1. Alberta's tourism products are developed and expanded, and tourism from targeted domestic and international markets is increased						
Satisfaction with tourism development services:						
1.a Percentage of tourism industry clients satisfied with tourism development services	89.3% 2006-07	73.5% 2007-08	71.6% 2008-09	76.6% 2009-10	74%	79.3% 2010-11
Tourism expenditures:						
1.b Total tourism expenditures in Alberta ($billion)	5.2 2006	5.6 2007	5.7 2008	5.4r 2009	5.8	5.5e 2010
Satisfaction with Travel Alberta visitor information centres:						
1.c Percentage of clients satisfied with their overall experience at Travel Alberta visitor information centres*	98.4% 2006	99.1% 2007	99.8% 2008	97.0% 2009	98%	98.2% 2010
Satisfaction with Travel Alberta Contact Centre:						
1.d Percentage of clients satisfied with the overall service received through the Travel Alberta Contact Centre	97.4% 2006	98.2% 2007	97.7% 2008	97.4% 2009	98%	98.9% 2010
Parks						
2. The provincial parks system provides opportunities for outdoor recreation and tourism and conserves Alberta's natural heritage						
Satisfaction with provincial parks and recreation areas:						
2.a Percentage of visitors satisfied with the quality of services and facilities at provincial parks and recreation areas*	89.1% 2006-07	89.5% 2007-08	93.3% 2008-09	94.7% 2009-10	92%	93.1% 2010-11
Sport, recreation and physical activity						
3. Albertans increasingly choose physically active lifestyles through participation in sport and recreation, and athletes excel through sport development opportunities						
Adult participation in sport and recreation:						
3.a Percentage of adult Albertans who participated in sport and recreational activities*	81.3% 2006-07	78.6% 2007-08	85.6% 2008-09	80.4% 2009-10	83%	88.2% 2010-11
Activity levels of Albertans age 12-19:						
3.b Percentage of Albertans age 12-19 who are active or moderately active in their leisure time	N/A 2006	72.3% 2007	73.1% 2008	75.5% 2009	73%	N/A 2010

*** Indicates Performance Measures that have been reviewed by the Office of the Auditor General**

The performance measures indicated with an asterisk were selected for review by ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal and mandated initiatives.
- Measures for which new data is available.
- Measures that have well established methodology.

r - Revised

e - Estimate

Discussion and Analysis of Results

Strategic Priorities

1. Alberta's *Plan for Parks*

To fulfill commitments made to Albertans in the *Plan for Parks*, Bill 29, the *Alberta Parks Act*, was introduced in late 2010. New legislation is intended to clarify the types of activities allowed in parks and help support the achievement of the conservation, recreation and tourism objectives of the *Plan for Parks* and *Land-use Framework*. Additional feedback is being collected on the proposed legislation.

An additional 25 campgrounds were added to the online campsite reservation service, which now includes geospatial information and panoramic photography for over 50 campgrounds. The service provides real-time information on campsite availability in select provincial parks. The long-term intent of the service is to provide one-stop shopping for reserving campsites, group use areas, special facilities and other park and tourism programs.

2. Economic diversification through tourism

Travel Alberta's regional Stay campaign in Alberta boosted tourism expenditures by $78.4 million, while the summer campaign in British Columbia boosted visitor expenditures by almost $20 million. Travel Alberta also invested in marketing campaigns to support direct air service to Alberta from Japan and Korea, which contributed to high load factors and growing visitation from those markets. Also, with China granting Canada Approved Destination Status, Travel Alberta and industry partners launched a multi-faceted marketing strategy designed to attract visitors from what will soon become the world's largest outbound tourism market.

Travel Alberta's e-marketing strategies resulted in more than 203,000 consumer leads to Alberta tourism operators via TravelAlberta.com. With social media channels growing in importance for vacation planning information, a notable milestone was reached with 10,000 subscribers to Travel Alberta's Facebook profile.

Premier Stelmach, along with six other premiers, signed an Open Skies Declaration in June 2010 and agreed to collaborate on initiatives involving open skies air service agreements. The ministry led the collaboration of all the other provinces/territories in the development of a joint submission to Transport Canada identifying key strategic open skies priorities for the 2012 Air Transport Negotiating Calendar. In July 2010, after the announcement of Approved Destination Status for Canada, meetings were held in China between the ministry and primary Chinese air carriers to discuss direct air access to Alberta from China.

A new Tourism Development Strategy is being prepared for discussion with key stakeholders to provide direction and goals for new and enhanced products and experiences which align with Travel Alberta's marketing objectives. The strategy will outline key strategic actions to ensure the competitiveness of the sector in both the short and long term. The ministry, in collaboration with the Ministry of International and Intergovernmental Relations, led investment attraction missions to China and the United Arab Emirates to profile Alberta's tourism investment opportunities to targeted developers and investors.

The ministry is supporting the interdepartmental and multi-agency provincial trail mapping initiative to identify approved and authorized trails for tourism and recreational users within the province. Approved motorized and non-motorized trail activities contribute to the provincial economy and provide opportunities for tourism development and economic diversification in rural Alberta.

3. Physically active lifestyles

The ministry has proposed an Active Alberta policy to address the social and health challenges being influenced by an increasingly sedentary population. During the policy development process, members of the public and stakeholders provided feedback on a draft recreation, active living and sport policy through an online survey. To collect additional information for revisions to the draft policy, a stakeholder workshop and a session at the Alberta Recreation and Parks Association's Annual Conference were held. A final draft of the policy has been completed.

4. Alberta's *Land-use Framework*

The ministry fully supports and participates in the implementation of the *Land-use Framework* and related initiatives. This includes providing key input on conservation, recreation and tourism components; supplying background data and information on environmentally significant areas; and participating in the development of the Lower Athabasca and South Saskatchewan regional land-use plans. In support of the *Land-use Framework*, the ministry has also conducted a number of recreational and tourism features inventories to identify land features and tourism development opportunities.

The ministry is also involved in further work with the Ministry of Sustainable Resource Development to develop a Provincial Recreation Management Strategy for Alberta's public lands to provide broader policy direction for outdoor recreation components of the *Land-use Framework*.

5. Winter Olympic/Paralympic Legacy Utilization Strategy

A Legacy Utilization Strategy was developed with the Government of British Columbia to create opportunities for Olympic venues to host sporting events. An Alberta Winter Olympic Legacy Pilot Project focused on determining the benefits and best practices for the strategy across a number of winter sport events. As a result of this work, the first joint Olympic Legacy events – World Cup Bobsleigh and Skeleton competitions – were held in Calgary and Whistler. These results will be used to guide ministry actions related to future major events at Alberta's Olympic legacy facilities.

6. Infrastructure Improvements

The ministry made significant improvements to infrastructure with 47 projects undertaken in provincial parks. Projects included water treatment/distribution systems and sewer lines, new washroom and shower facilities, improved campsites, road and trail paving, and building repair and painting.

A visitor service centre was opened at the Travel Alberta Canmore Visitor Information Centre to maintain visitor access to electronic and print information on Alberta after hours. Other improvements to Travel Alberta visitor centres include updating and renovating interpretive displays at the Milk River and West Glacier visitor information centres. Additional exhibits and displays were added to the Travel Alberta Field Visitor Information Centre. The new exhibits and interpretive displays will enhance visitor experiences and create more opportunities for staff to promote attractions, activities and services to visitors.

Core Business 1

Tourism development, research and marketing

Goal 1

Alberta's tourism products are developed and expanded, and tourism from targeted domestic and international markets is increased

Overview

Tourism, Parks and Recreation supports this goal by working collaboratively with all levels of government and industry stakeholders to increase awareness of the economic significance of tourism. The ministry also facilitates the development and expansion of Alberta's tourism sector (e.g., regional strategies, resorts, attractions and events). This includes providing business advisory services, encouraging and targeting investment, providing marketing support services (e.g., Travel Alberta Photo and Video Library) and supporting the industry through advocacy efforts. The ministry provides travel information and trip counselling through the Travel Alberta Contact Centre, Travel Alberta visitor information centres, community and regional visitor information centres, and the Travel Alberta website in collaboration with other ministries and community tourism organizations. The ministry researches, collects, interprets and distributes tourism data and market intelligence for industry stakeholders to identify business and collaborative opportunities.

Results

Travel Alberta's regional Stay campaign in Alberta generated incremental tourism expenditures of $78.4 million with a return on investment of $30.10 for every dollar invested by Travel Alberta in that campaign. The summer campaign in British Columbia boosted visitor expenditures by almost $20 million with a return on investment of $10.50 for every dollar invested. Travel Alberta also invested in marketing campaigns to support direct air service to Alberta from Japan and Korea, which contributed to high load factors and growing visitation from those markets. As China granted Canada Approved Destination Status, Travel Alberta and industry partners launched a multi-faceted marketing strategy designed to attract visitors from what is expected to become the world's largest outbound tourism market.

Travel Alberta's e-marketing strategies resulted in more than 203,000 consumer leads to Alberta tourism operators via TravelAlberta.com. With social media channels growing in importance as a channel for vacation planning information, a notable milestone was reached with 10,000 subscribers to Travel Alberta's Facebook profile.

DID YOU KNOW? **The 2010 Travel Alberta Industry Conference was named Best Conference in Canada at the annual Canadian Event Industry Awards, the second consecutive year the event has earned national recognition for excellence.**

Along with six other premiers, Premier Stelmach signed an Open Skies Declaration in June 2010 and agreed to future collaboration on initiatives involving open skies air service agreements. The ministry led a discussion around priority markets for open skies air service agreements at the Council of Tourism Ministers meeting. The ministry also led the collaboration of all the other provinces/territories in the development of a joint submission identifying key strategic open skies priorities to Transport Canada for the 2012 Air Transport Negotiating Calendar. In July 2010, after the announcement of Approved Destination Status for Canada, meetings were held in China between the ministry and primary Chinese air carriers to discuss direct air access to Alberta from China.

The ministry led investment attraction missions to China and the United Arab Emirates to profile investment opportunities in Alberta's tourism industry. During the missions, ministry and other Government of Alberta officials hosted events and conducted meetings with pre-qualified investors. Alberta companies seeking joint venture equity partners, and information related to land-based tourism development opportunities that exist in communities around Alberta, were highlighted during the missions.

Work began on a draft Tourism Development Strategy in early 2011 to create a vision for Alberta's tourism development over the next 10 years. The strategy will outline key strategic actions to ensure the competitiveness of the sector, as well as the alignment of provincial efforts from a tourism development and marketing perspective. The strategy will encourage collaboration between all levels of government, as well as the private and nonprofit sectors, to investigate and pursue a range of tourism development opportunities in Alberta. The opportunities will be identified through ministry-led research examining needs associated with product development related to visitor desires and expectations. It will also be supported with the continued application of a suite of planning tools that are being developed to inform regional planning under the *Land-use Framework*. These tools will help identify areas that are critical to supporting a range of tourism development activities (e.g., recreational trails, four-season resorts, RV campgrounds), and help direct investors/developers to these areas informed by the complementary research that is undertaken by the ministry. The research will inform what enhancements are needed to existing products/destinations and what new products are required to ensure repeat visitation and attract new markets.

DID YOU KNOW? **The ministry's Tourism Business Development, Research and Investment Branch provides business information and advisory services to clients who are developing new or expanded tourism products, such as hotels, resorts, golf courses, guest ranches, ski hills, ecotourism and tourism related events. Visit www.tpr.alberta.ca/tourism for more information.**

To give visitors access to electronic and print information about Alberta at any time, an after hours visitor service centre was opened at the Travel Alberta Canmore Visitor Information Centre. Other improvements made at visitor information centres include updating and renovating interpretive displays in Milk River and West Glacier. Additional exhibits and displays were also added to the Travel Alberta Field Visitor Information Centre. The new exhibits and interpretive displays will enhance visitor experiences in Alberta and create more opportunities for staff to promote Alberta's attractions, activities and services to visitors. Digital signage has been incorporated into these upgraded centres to provide visitors with real time, practical information on road conditions, weather, current events and other local information (e.g., accommodation and campground availability).

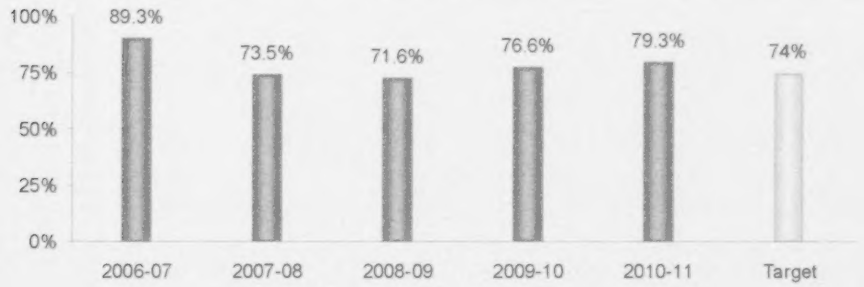
The ministry has worked closely with the Ministry of Sustainable Resource Development on the planning and creation of tourism development nodes, which are regions that have been identified for tourism development, on Crown land. These nodes will allow for specific areas to be designated primarily for tourism and commercial recreation development in the province and are planned in close consultation with local municipalities and stakeholders. To further support tourism product development, regional familiarization visits were led by ministry officials to showcase departmental programs and services to industry stakeholders involved with tourism business development initiatives.

Support was provided on the interdepartmental and multi-agency provincial trail mapping initiative to identify approved and authorized trails for tourism and recreational users within the province. Approved motorized and non-motorized trail activities contribute to the provincial economy and provide opportunities for tourism development and economic diversification in rural Alberta.

Performance Measures

1.a Satisfaction with tourism development services:

Percentage of tourism industry clients satisfied with tourism development services



Source: Tourism Division Client Satisfaction Survey

Description

This measure indicates the percentage of public and private sector tourism industry clients who were satisfied with their contact with the Tourism Division. The division provides a range of information and advisory resources for new and expanded tourism development projects throughout Alberta. Services are organized under three distinct program areas: resource management and development; destination development and product enhancement; and tourism business development and investment.

Results

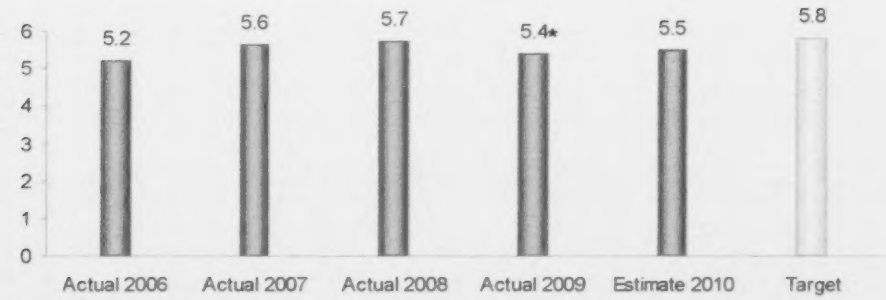
In 2010-11, 79.3 per cent of tourism industry clients were satisfied with the services of the Tourism Division, exceeding the target by 5.3 per cent.

Analysis

Client satisfaction is influenced by several factors such as the frequency of clients' contact with the Tourism Division and their varying needs, preferences and expectations. Clients often seek funding or investor/developer interest in their projects, which the Tourism Division cannot guarantee. These exceptions may result in different experiences and varying levels of satisfaction. In 2010-11, 90.4 per cent of clients responded they were satisfied with the information and advice they had been given, an increase of 6.4 per cent from 2009-10.

1.b Tourism expenditures:

Total tourism expenditures in Alberta ($billion)



Source: Statistics Canada: Travel Survey of Residents of Canada and International Travel Survey, and Tourism, Parks and Recreation

* The 2009 result has been revised based on new data from the Travel Survey of Residents of Canada.

Note: Measured in current dollars including expenditures made by residents and non-residents.

Description

This measure indicates the annual value of all tourism-related expenditures in Alberta. This includes expenditures made in Alberta by visitors from overseas, the United States, other Canadian provinces and Albertans.

Results

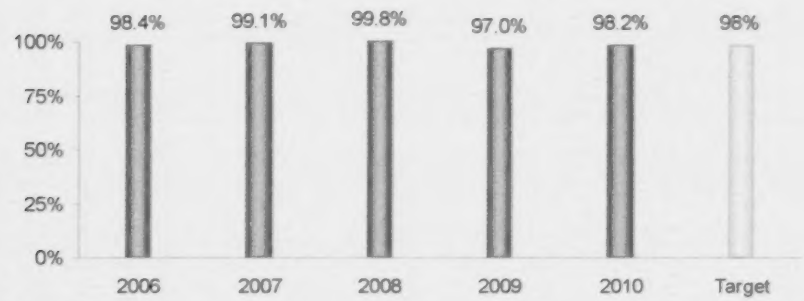
Total tourism expenditures in Alberta are estimated at $5.5 billion in 2010, $0.3 billion lower than the target.

Analysis

The 2010 estimate reflects the actual 2009 result of $5.4 billion, which was below the preliminary estimate of $5.7 billion. The revision was primarily a result of lower-than-expected visits and expenditures by United States and overseas visitors. External influences that may have an impact on results include economic conditions in Alberta's key tourism markets, the value of the Canadian dollar, world events such as war, terrorism, disease, natural disaster, and political upheaval, implementation of new security procedures at border crossings, and increased competition from other tourism destinations. The economic slowdown, and longer than expected recovery in many industrialized countries, such as the United States, the United Kingdom and Japan, the H1N1 flu pandemic and the increasing number of countries that were in recession was expected to have a negative impact on travel volume and spending in Alberta in 2010. The continued success of tourism marketing strategies, such as Travel Alberta's Stay campaign and a focus on domestic regional markets such as Saskatchewan and British Columbia were largely responsible for the relative success of domestic tourism results in 2009 and are expected to continue in 2010.

1.c Satisfaction with Travel Alberta visitor information centres:

Percentage of clients satisfied with their overall experience at Travel Alberta visitor information centres



Source: Visitor Information Centre Satisfaction Survey

Description

This measure indicates the satisfaction of clients with their overall experience at Travel Alberta visitor information centres.

Results

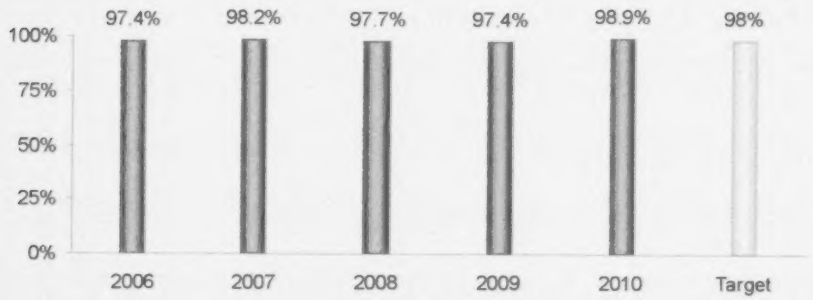
In 2010, 98.2 per cent of clients were satisfied with their experience, meeting the target.

Analysis

Factors influencing results could include the age and condition of facilities, a client's prior experiences at other sites/venues and the level of staff training and knowledge of Alberta. Consistent, high-quality staff training, as well as good working conditions and effective teamwork, contributes to achieving and maintaining a high level of visitor satisfaction. Visitors were most satisfied with Travel Alberta staff in the following areas: being knowledgeable (97.2 per cent), doing everything to meet service needs (97.8 per cent), providing appropriate information/recommendations (98.3 per cent), and being courteous (99.5 per cent). Approximately 58.1 per cent of clients reported that they would likely make another trip to Alberta because of the information they gained from visiting the centre and another 28.1 per cent indicated they would consider it.

1.d Satisfaction with Travel Alberta Contact Centre:

Percentage of clients satisfied with the overall service received through the Travel Alberta Contact Centre



Source: Travel Alberta Interactive Voice Response Survey

Description

This measure indicates the overall satisfaction of callers to the Travel Alberta Contact Centre (1-800-ALBERTA).

Results

In 2010, 98.9 per cent of clients were satisfied with the overall service, exceeding the target by approximately one per cent.

Analysis

External factors that can influence satisfaction include the amount and quality of information available from other travel sources, clients' expectations and current knowledge, and call volume. Consumer use of the Internet for travel planning and research purposes results in higher expectations from clients. Continued monitoring and consultation with the service contractor resulted in consistently high satisfaction ratings, with 97.1 per cent of clients responding that their Travel Alberta specialist did everything necessary to assist them with their service need.

Core Business 2

Parks

Goal 2

The provincial parks system provides opportunities for outdoor recreation and tourism and conserves Alberta's natural heritage

Overview

Tourism, Parks and Recreation supports this goal by managing Alberta's parks system to enhance Albertans' quality of life and the overall environmental quality of the province. The provincial parks system includes 75 provincial parks, two heritage rangelands, 32 wildland provincial parks, one wilderness park, three wilderness areas, 15 ecological reserves, 141 natural areas and 212 provincial recreation areas. The ministry fosters a culture of stewardship by inspiring citizens, industry, communities and governments to work together to responsibly care for and conserve Alberta's natural heritage. By doing this, the ministry protects more than 27,500 square kilometres of the province as a legacy for future generations and provides significant opportunities for outdoor recreation and nature-based tourism. Interpretation and environmental education opportunities help to foster an understanding of Alberta's natural heritage and promote experiential and lifelong learning. The ministry operates the Alberta Conservation Information Management System, the province's biodiversity database, which generates information regarding the province's natural heritage to support science and decisions on land-use.

Results

To fulfill commitments made to Albertans in the *Plan for Parks*, Bill 29, the *Alberta Parks Act*, was introduced in late 2010. The new legislation is needed to clarify the types of activities allowed in parks and to support the achievement of the conservation, recreation and tourism objectives of the *Plan for Parks* and *Land-use Framework*. Additional feedback is being collected on the proposed legislation.

Supporting evidence-based decision making and the conservation of landscapes, the ministry launched a pilot program for provincial coordination of *Historical Resources Act* clearances in partnership with the Ministry of Culture and Community Spirit. New historical and archaeological sites were found which will be used to inform the planning and management of parks.

The ministry's Parks Division Science Strategy was approved and provides a strong foundation for evidence-based decision making in Alberta's parks. In support of the strategy, biological inventories were completed at Dinosaur Provincial Park and Willmore Wilderness Park. Research partnerships with post-secondary institutions include Augustana Campus/University of Alberta, Lakeland College and the University of Calgary.

Albertans took an active role in planning the future of Alberta's parks by participating in more than a dozen online public consultations including those on Bow Valley Wildland Park, Fish Lake Provincial Recreation Area, English Bay Provincial Recreation Area, Eagle Point Provincial Park and Blue Rapids Provincial Recreation Area.

DID YOU KNOW? **Cross-country skiers started their 2010-11 season a month early thanks to the Canmore Nordic Centre's innovative stock-piling of snow from last winter. Nicknamed "Frozen Thunder," the massive snow pile, which was insulated with sawdust, preserved enough snow over the summer to cover one kilometre of trail, offering an efficient way to offer consistent and reliable skiing before new snow falls.**

The Alberta parks system grew by approximately 990 hectares and included expansions of Sir Winston Churchill and Lois Hole Centennial provincial parks, as well as the Fish Lake and Simonette River provincial recreation areas. Sir Winston Churchill Provincial Park nearly tripled in size with the addition of approximately 423 hectares to the park. The addition of all the islands in the east basin of Lac La Biche increases the size of the park to 662 hectares. The expanded park includes Currant, Birch, Red Fox and Pelican Islands, as well as two un-named islands. High Island and Black Fox Island natural areas have also been consolidated into the provincial park.

By adding an additional 25 campgrounds, Reserve.AlbertaParks.ca – the ministry's online reservation service – doubled the number of provincial campgrounds taking online reservations to 50. This service delivers information to campers using new geospatial technologies and provides real-time information on campsite availability in select parks and campgrounds. The long-term goal is to provide one-stop shopping for reserving campsites, group use areas, special facilities and other park and tourism programs. In addition to the campgrounds available online, more than 170 other provincial campgrounds offer first-come first-served only campsites, and others accept phone reservations through local campground offices. These services improve customer access and satisfaction by providing another way for campers to make campsite reservations.

DID YOU KNOW? **Almost 129,000 campsite reservations were made through Reserve.AlbertaParks.ca in 2010 by more than 142,000 account holders.**

In 2010-11, the Explore Kananaskis Country and the Ghost Area magazine, which published information on Kananaskis for more than 15 years, evolved into Explore Alberta Parks, which provides information on all provincial parks. This new publication, which is available at www.tpr.alberta.ca, will provide Albertans with important information on all parks and protected areas within Alberta. More than 200,000 copies have been distributed across Alberta, Canada and internationally. It features Quick Response codes that can be scanned by a camera phone to provide further information on park initiatives by loading a website on the phone's browser.

DID YOU KNOW? **The 2010 edition of the Explore Kananaskis Country and the Ghost Area magazine was honoured by the International Association of Printing House Craftsmen (IAPHC) at the 36th International Gallery of Excellence, recognizing excellence in the art and science of graphic expression.**

Forty-seven infrastructure improvement projects were undertaken in parks including water treatment/distribution systems and sewer lines, new washroom and shower facilities, improved campsites, road and trail paving, and building repair and painting. Projects included commencing the modernization of the Sandy McNabb campground in Kananaskis, rehabilitating the William Watson trail system to address accessibility concerns in Kananaskis, building a new sewage treatment system for the Pigeon Lake campground, building a new washroom and shower building for the Crimson Lake campground, developing a new 20-site campground at McLeod River Provincial Recreation Area, and the expansion of the Lower Firerock campground in Cypress Hills Interprovincial Park.

DID YOU KNOW? **Two sections of the Olympic Trail system at Canmore Nordic Centre Provincial Park are now named after Alberta Olympians Beckie Scott and Sara Renner. Beckie's Hill and Renner's Revenge pay tribute to these retired Canadian cross-country ski Olympians and medallists.**

The ministry delivered interpretive and education programs in 13 parks, as well as outreach programs in Edmonton, Calgary, Lethbridge, Medicine Hat, Grande Prairie and Slave Lake. More than 300,000 people were reached through these programs and visits to 11 park visitor centres.

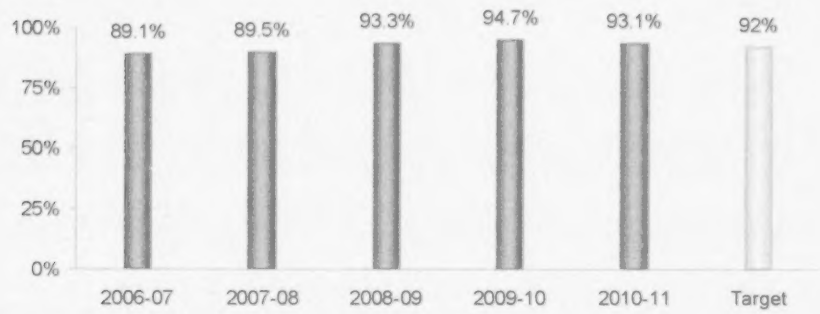
Visits to AlbertaParks.ca continues to grow, with nearly 3.6 million page views in 2010-11. In association with local communities, major special events occurred in Cypress Hills Interprovincial Park, Kananaskis Country, Fish Creek and Slave Lake provincial parks to celebrate First Nations, art and culture, and our provincial parks system. New learning enrichment and experiential programs were initiated in Cypress Hills Interprovincial Park, Dinosaur, and Writing-on-Stone provincial parks, to facilitate greater audience participation and understanding of these unique areas.

Working with other government ministries, non-government organizations, and business groups, the ministry developed and delivered new inclusion programs for youth and the physically disabled. One program introduced more than 300 new Canadians from Afghanistan, Morocco, Ethiopia, Japan, Iraq, Iran, Eritrea, Egypt, Syria and Burma to recreational experiences and natural history by visiting an urban park and camping overnight in a provincial park. On-site, outreach and interactive video conferencing programs were presented to Alberta school children in our parks, in their schools and in their communities. Audiences which would not have had an opportunity to discover parks in-person were able to visit our sites virtually and interact with field staff. Partnerships continued to support our work by sponsoring outstanding educational programs on the natural and cultural features of Alberta's landscapes.

Volunteers continue to play an important role in delivering Alberta parks programs. Associations participated in a capacity building initiative and formed arrangements with other community organizations and government agencies to provide programs and support. Three infrastructure projects were facilitated through partnerships with nonprofit organizations at Wagner Natural Area, Lois Hole Centennial Provincial Park and Glenbow Ranch Provincial Park. The Volunteer Coordinating Committee partnered with the Beaver Hills Initiative to deliver a successful provincial conference to celebrate the 2010 International Year of Biodiversity.

Performance Measure

2.a Satisfaction with provincial parks and recreation areas:
Percentage of visitors satisfied with the quality of services and facilities at provincial parks and recreation areas



Source: How are we doing? Provincial Parks and Recreation Areas Camper Satisfaction Survey

Description

This measure indicates visitors' overall satisfaction with the services and facilities at Alberta's provincial parks and recreation areas.

Results

In 2010, 93.1 per cent of visitors were satisfied with their experiences, exceeding the target by approximately one per cent.

Analysis

Overall satisfaction consists of all those who reported they were satisfied or very satisfied with their experience. Of these satisfied visitors, 45.7 per cent were very satisfied with their experiences. Additionally, 89 per cent of the respondents indicated they would return to the same campground in the future. Visitor satisfaction is influenced by several factors, including interactions with other visitors, programs offered during the visit, public awareness of facilities and services, infrastructure renewal programs, services provided by contractors and park staff, and the age, condition and cleanliness of facilities. When rating the staff of provincial parks and recreation areas, 93.8 per cent of the respondents felt that the staff were friendly and courteous. The ministry made significant infrastructure improvements with 47 projects undertaken in parks. Projects included water treatment/distribution systems and sewer lines, new washroom and shower facilities, improved campsites, road and trail paving, and building repair and painting.

Core Business 3

Sport, recreation and physical activity

Goal 3

Albertans increasingly choose physically active lifestyles through participation in sport and recreation, and athletes excel through sport development opportunities

Overview

Tourism, Parks and Recreation supports this goal by collaborating with local, provincial, national and international governments, organizations and agencies to promote active, healthy lifestyles through recreation, physical activity and sport. The ministry supports Albertans to increase their participation in recreation, active living and sport in their communities, schools and workplaces. Albertans are provided opportunities to excel in athletics through multi-sport games and events at the community, provincial, interprovincial and international levels. Through their participation in recreation, active living and sport, Albertans can enjoy a high quality of life, improved health, strong communities and personal fulfillment. Through the Alberta Sport, Recreation, Parks and Wildlife Foundation, the ministry provides financial support to provincial sport and recreation associations, active living agencies, communities, community organizations and individuals. The foundation also manages donated land for recreation use and wildlife habitat.

Results

In cooperation with the Government of British Columbia, a Legacy Utilization Strategy was developed to create new opportunities for Olympic venues to host sporting events. An Alberta Winter Olympic Legacy Pilot Project was launched to determine the benefits and best practices for the strategy across a number of winter sport events. As a result, the first joint Olympic Legacy events (i.e., World Cup Bobsleigh and Skeleton competitions) were held in Calgary and Whistler in November/December 2010. The Legacy Pilot Project conducted three economic impact assessments and has initiated a business analysis process with all related stakeholders. The results of the business analysis and the economic impact reports will be used to help guide ministry actions for future major events at Alberta's Olympic legacy facilities. In addition, the 2010 Olympic and Paralympic Salute was staged in Calgary at Olympic Plaza in April 2010. More than 180 athletes, coaches and officials were honoured at the event staged in collaboration with the City of Calgary, WinSport Canada and the Canadian Sport Centre Calgary.

Realizing the benefit of the Government of Alberta's three-year, $69 million investment (2007-08 to 2009-10) in the renewal of 1988 Olympic legacy facilities in Calgary, three hockey rinks were opened in December 2010 as part of the development of the Canadian Centre of Sport Excellence. The ministry ensures accountability for government investments to the project, in keeping with the contribution agreement, and provides project management and strategic advice as the project proceeds.

The ministry continues to promote and support provincial sport and recreation organizations and facilitate participation in sport and recreation by hosting events in the province. In 2010-11, events included the Canadian National Cross Country Ski Championship, Fédération Interationale De Ski World Cup Snowboard Championships, Essent International Skating Union All-Round Speed Skating Championship, the Alberta Summer Games and the Alberta 55 Plus Winter Games.

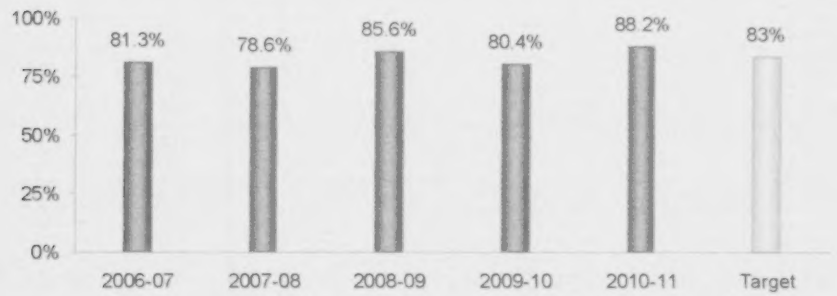
DID YOU KNOW? **From the playground to the podium, Alberta coaches are vital to every community. In 2010-11, 3,033 coaches participated in multi-sport National Coaching Certification Program training. There were 147 workshops hosted in more than 14 communities across Alberta.**

The ministry has proposed an Active Alberta policy to address the social and health challenges being influenced by an increasingly sedentary population. During the development process, members of the public and stakeholders provided feedback on a draft recreation, active living and sport policy through an online survey. To collect additional information for revisions to the draft policy, a stakeholder workshop and a session at the Alberta Recreation and Parks Association's Annual Conference were held. A final draft of the policy has been completed.

The ministry provided a grant to Safe Happy Active People Everywhere to organize Winter Walk Day, an annual event encouraging Albertans to walk for a minimum of 15 minutes outdoors. The event involved schools, community groups and workplaces from across the province. The targeted number of participants was exceeded, as more than 100,000 Albertans logged approximately 2.3 million minutes for Winter Walk Day on February 9, 2011.

Performance Measures

3.a Adult participation in sport and recreation:
Percentage of adult Albertans who participated in sport and recreational activities



Source: Tourism, Parks and Recreation Survey of Albertans

Description

This measure indicates adult Albertans' participation in sport and recreational activities in the past year. Albertans were asked if they had participated in activities such as walking, bicycling, skiing, golfing, skating, swimming and amateur sports.

Results

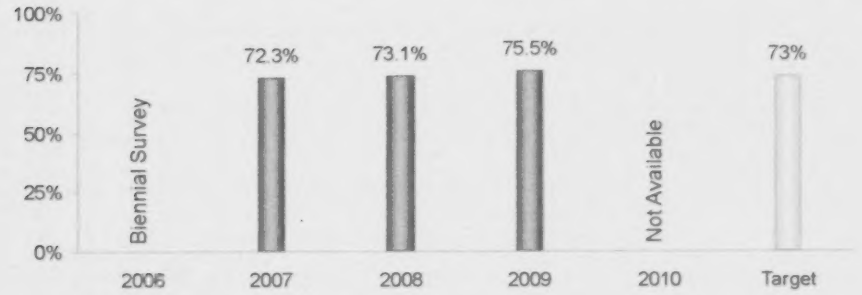
In 2010-11, 88.2 per cent of adult Albertans participated in sport and recreational activities, exceeding the target by 5.2 per cent.

Analysis

The 2010-11 result is the highest result since 2000-01. Results may be affected by many external influences such as the residual impact of the 2010 Winter Olympic and Paralympic Games held in British Columbia, personal lifestyle choices (e.g., time spent on the internet or watching television), the disposable income Albertans have to spend on sport and recreational activities and media reporting on the importance of living an active, healthy lifestyle. The main motivators reported to increase physical activity are more free time or less work (28.7 per cent) and increased motivation or enthusiasm (19.5 per cent). The ministry continues to promote and support provincial sport and recreation organizations, and facilitates participation in sport and recreation by hosting events in the province. In 2010-11, events included the Canadian National Cross Country Ski Championship, Fédération Interationale De Ski World Cup Snowboard Championships, Essent International Skating Union All-Round Speed Skating Championship, Alberta Summer Games and Alberta 55 Plus Winter Games.

3.b Activity levels of Albertans age 12-19:

Percentage of Albertans age 12-19 who are active or moderately active in their leisure time



Source: Statistics Canada: Canadian Community Health Survey
Notes: In 2008, the Canadian Community Health Survey transitioned from a biennial survey to an annual survey. The 2005 and 2007 results have been restated in 2009 as the rates were recalculated by Statistics Canada to exclude non-response categories ("refusal", "don't know" and "not stated") in the denominator.

Description

This measure indicates the percentage of Albertans age 12 to 19 years that are active or moderately active in their leisure time. Albertans were asked if they had participated in a recreational activity such as walking, bicycling, skiing, golfing, skating, swimming and amateur sports in the past three months. The result is based on a combination of questions related to the type, frequency and duration of each of the identified activities.

Results

The 2010 result was not available at the time of printing.

Financial Analysis
(millions of dollars)

Results of Operations
For the Year Ending March 31, 2011

2010-11 Financial Analysis

	Budget	Actual	Difference	Explanation
Total Revenue	$ 40.7	$ 42.3	$ (1.6)	Unbudgeted grant funding from the federal government through Western Economic Diversification ($0.7 million), increased interest revenue from funds held in the ministry ($0.3 million), unbudgeted partnership revenue offset by lower miscellaneous fees collected ($0.6 million).
Expenses				
Operating	176.0	167.0	9.0	Travel Alberta lapses funding this fiscal year to their contingency fund in order to address potential funding issues in the future ($10 million), offset by an unbudgeted union settlement for staff in the department ($1 million).
Statutory	0.1	0.0	0.1	Lower then budgeted change to vacation and banked overtime liability
Equipment / Inventory Purchases	1.2	0.9	0.3	Reduced purchase of parks equipment to help address operational pressures
Capital Investment	19.5	16.6	2.9	Lower expenditures due to inability to complete planned construction due to shorter construction season.
Total Expenses	$ 196.8	$ 184.5	$ 12.3	

Revenue Highlights
(millions of dollars)

	2010		2009
	Budget	Actual	Actual
Internal Government Transfers	$ 23.3	$ 23.3	$ 34.6
Transfers from the Government of Canada	3.1	3.8	4.6
Investment Income	0.3	0.6	0.5
Premiums, Fees and Licences	9.4	8.9	8.9
Other Revenue	4.6	5.7	5.4
Total Revenue	$ 40.7	$ 42.3	$ 54.0

Total revenue for the ministry in 2010-11 was $42.3 million which is a decrease of $11.7 million from the previous year.

The internal government transfers decreased $11.3 million from the prior year is due to the completion of the government's three-year commitment to WinSport Canada (CODA) in 2009-10 ($9 million) and reduction in lottery funding for hosting major athletic events and funding nonprofit sport and recreation organization which has been partially offset with tourism levy funding.

Transfer from federal government decreased $0.8 million from the prior year due to net funding provided from the federal government to help develop the online reservation system and various parks beautification projects.

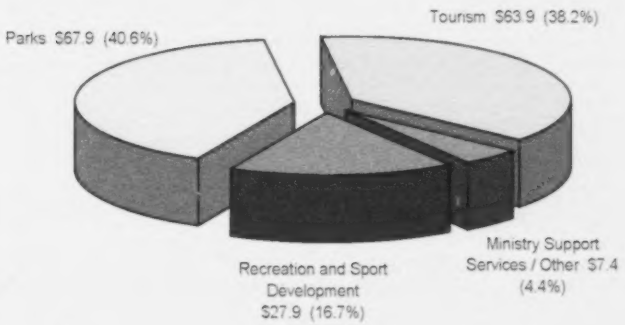
Premiums, fees and licences decreased $0.5 million from budget due to lower revenue from collection of other miscellaneous fees at provincial parks.

Other revenue increased $0.3 million from the previous year due to increased revenue collected for project partnerships with the tourism industry offset by decreased donation revenue.

The ministry's major source of revenue is internal government transfers from the Alberta Lottery Fund.

Ministry Expense by Program
(millions of dollars)

Operating Expense by Program - $167.1



The ministry spent $67.9 million (40.6% of funding) on operations and management of the Alberta provincial parks system. Expenses to develop Alberta as a tourist destination, developing tourism products and marketing the province through Travel Alberta were $63.9 million (38.2% of funding). The Recreation and Sport Development Division spent $27.9 million (16.7% of funding) to promote healthy and active lifestyles. The remainder of the ministry's expenses went to support services and other expenses of $7.4 million (4.4%) to manage the overall ministry.

Capital Investment

The ministry also spent $16.3 million for continued development of the online reservation system and capital maintenance and renewal of parks infrastructure which included $2.7 million that was leveraged from the federal government through the Infrastructure Stimulus Fund.

Ministry Expense by Function
(millions of dollars)

Expense by function identifies the principal purpose for which an expense is incurred rather than the activity involved. The basis of reporting is used for inter-provincial comparisons and for determining federal funding eligibility.

The function Agriculture, Resource Management and Economic Development includes expenses related to the development and promotion of agriculture and other sectors of the economy such as tourism promotion. The function Recreation and Culture includes expenses incurred in the delivery of programs and services to promote leisure activities.

	2010		2009
	Budget	Actual	Actual
Agriculture, Resource Management and Economic Development	$ 75.6	$ 65.4	$ 69.6
Recreation and Culture	100.5	101.7	131.6
Total Expense by Function	$ 176.1	$ 167.1	$ 201.2

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Ministry of Tourism, Parks and Recreation

Consolidated Financial Statements
March 31, 2011

Ministry of Tourism, Parks and Recreation
Consolidated Financial Statements
March 31, 2011

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AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Ministry of Tourism, Parks and Recreation, which comprise the consolidated statement of financial position as at March 31, 2011, and the consolidated statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry of Tourism, Parks and Recreation as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

June 8, 2011

Edmonton, Alberta

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Operations
Year ended March 31
(in thousands)

	2011		2010
	Budget (Schedule 4)	Actual	Actual
Revenues (Schedules 1 and 2)			
Internal Government Transfers	$ 23,279	$ 23,279	$ 34,620
Transfers from the Government of Canada	3,101	3,826	4,630
Investment Income	275	583	483
Premiums, Fees and Licences	9,422	8,915	8,843
Other Revenue	4,589	5,657	5,389
	40,666	42,260	53,965
Expenses – Directly Incurred (Note 2(c) and Schedules 3 and 6)			
Ministry Support Services	7,226	7,387	7,120
Tourism	74,750	63,923	66,825
Parks	65,280	67,827	79,736
Recreation and Sports	28,714	27,879	45,770
	175,970	167,016	199,451
Valuation Adjustments			
Provision for Doubtful Accounts	-	2	3
Provision for Environmental Obligations	-	-	1,366
Provision for Vacation Pay and Banked Overtime	110	42	343
	110	44	1,712
	176,080	167,060	201,163
Gain (Loss) on Disposal of Tangible Capital Assets	-	(1,547)	9,283
Net Operating Results	$ (135,414)	$ (126,347)	$ (137,915)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Financial Position
As at March 31
(in thousands)

	2011	2010
Assets		
Cash (Note 3)	$ 24,094	$ 10,763
Accounts Receivable, Prepaid Expenses and Inventory (Note 4)	3,007	7,991
	27,101	18,754
Restricted Cash (Note 3)	426	426
Tangible Capital Assets (Schedule 7)	392,161	388,335
	$ 419,688	$ 407,515
Liabilities		
Accounts Payable and Accrued Liabilities	$ 18,684	$ 18,369
Unearned Revenue	1,098	981
	19,782	19,350
Net Assets		
Net Assets at Beginning of Year	388,165	351,300
Net Operating Results	(126,347)	(137,915)
Net Financing Provided from General Revenues	138,088	174,780
Net Assets at End of Year (Note 6)	399,906	388,165
	$ 419,688	$ 407,515

Contractual obligations and contingent liabilities (Note 7 and 8)
The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Cash Flows
Year ended March 31
(in thousands)

	2011	2010
Operating Transactions		
Net Operating Results	$ (126,347)	$ (137,915)
Non-cash Items Included in Net Operating Results		
Amortization	15,856	13,800
(Gain) Loss on Disposal of Tangible Capital Assets	1,547	(9,283)
Valuation Adjustments	44	1,362
	(108,900)	(132,036)
Decrease (Increase) in Accounts Receivable, Prepaid Expenses and Inventories	4,982	(7,433)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	273	(3,124)
Increase in Unearned Revenue	117	453
Cash Applied to Operating Transactions	(103,528)	(142,140)
Capital Transactions		
Acquisition of Tangible Capital Assets	(17,542)	(22,484)
Proceeds on Disposal/Sale of Tangible Capital Assets	4	10,219
Transfers of Tangible Capital Assets	(3,691)	(12,263)
Cash Applied to Capital Transactions	(21,229)	(24,528)
Financing Transactions		
Net Financing Provided from General Revenues	138,088	174,780
Increase in Cash	13,331	8,112
Cash at Beginning of Year	11,189	3,077
Cash at End of Year	$ 24,520	$ 11,189

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2011

Note 1 Authority and Purpose

The Minister of Tourism, Parks and Recreation has, by the *Government Organization Act* and its regulations, been designated responsible for various Acts. To fulfill these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Tourism, Parks and Recreation (Ministry).

The purpose of the Ministry is to enhance and preserve the quality of life for Albertans. This is done by:

- managing Alberta's provincial parks and protected areas,
- promoting recreational and sport opportunities, and
- facilitating tourism marketing and development.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Ministry of Tourism, Parks and Recreation. The *Government Accountability Act* defines a Ministry as including the Department and any Provincial agency and Crown-controlled organization for which the Minister is responsible.

These consolidated financial statements include the accounts of the following organizations:

Organization	Authority
Department of Tourism, Parks and Recreation	*Government Organization Act*
Alberta Sport, Recreation, Parks and Wildlife Foundation	*Alberta Sport, Recreation, Parks and Wildlife Foundation Act*
Travel Alberta	*Travel Alberta Act*

All ministries of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of ministries are deposited into the Fund and all cash disbursements made by the ministries are paid from the Fund. Net Financing Provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Consolidation

The accounts of the organizations listed in Note 2(a) above have been consolidated. Revenue and expense transactions, investing and financing transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

(c) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return. Internal government transfers are recognized as revenue when received.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the Ministry may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's credit or recovery initiatives.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for the current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and environmental obligations.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are not recognized and disclosed in Schedule 5 and allocated to programs in Schedule 6.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the first in, first out basis.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Assets (continued)

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major system enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the asset is in use.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks are reported as revenue and expenses at their fair value when fair value can be reasonably determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Environmental obligations are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Endowment funds (Note 6) are considered appropriations from net assets and are reported as net assets. These assets include land and cash which must remain in perpetuity.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Net Assets (continued)

An internally restricted fund accounts for funds restricted by the Ministry Foundation for either matching non-government contributions, which can only be used for an identified purpose, or for retaining an ongoing funding capability.

An endowment fund accounts for contributions received under various agreements with sponsors and matching funds may be provided by the Ministry Foundation.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Environmental obligations are included in accounts payable and accrued liabilities in the amount of $1,201 (2010 – $2,500) based on management's best estimates that reflect the most probable course of action. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

Note 3 Cash and Restricted Cash (in thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to maturity of three years. As at March 31, 2011, securities held by the CCITF have a time-weighted return of 1.1% per annum (2010 – 1.0% per annum).

Cash in the amount of $18,167 (2010 - $6,665) has been internally restricted and restricted cash on the consolidated statement of financial position of $426 (2010 - $426) is related to endowments and is therefore not available to pay for operating expenses.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Accounts Receivable, Prepaid Expenses and Inventory (in thousands)

	2011			2010
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 2,950	$ 11	$ 2,939	$ 7,842
Inventory	30	-	30	20
Prepaid Expenses	38	-	38	129
	$ 3,018	$ 11	$ 3,007	$ 7,991

Accounts receivable are unsecured and non-interest bearing.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2011

Note 5 Artworks (in thousands)

The Ministry has a collection of artworks consisting of 19 (2010 - 19) prints of the Waterfowl of North America Collection #1250 with an approximate value of $5 (2010 - $5). There were no artwork dispositions (2010 – Nil) or acquisitions (2010– Nil) during the year.

Note 6 Net Assets (in thousands)

	2011	2010
Unrestricted Funds	$ 379,069	$ 378,834
Endowment Funds[(a)]	2,476	2,476
Internally Restricted Funds[(b)]	18,361	6,855
	$ 399,906	$ 388,165

(a) Endowment Funds includes land in the amount of $2,050 (2010 - $2,050) and cash in the amount of $426 (2010 - $426)

(b) Internally Restricted Funds includes buildings in the amount of $194 (2010 - $190) and cash in the amount of $18,167 (2010 - $6,665).

Note 7 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2011	2010
Obligations Under Operating Leases, Contracts and Programs		
Capital Construction Contracts	$ 3,300	$ 7,275
Grant Agreements	7,318	14,830
Operating Leases	7,748	8,687
Service Contracts	28,537	49,130
	$ 46,903	$ 79,922

Estimated payment requirements for obligations under operating leases, contracts and programs for the next five years and thereafter are as follows:

Obligation Under Operating Leases, Contracts and Programs	Total
2011 - 2012	$ 31,703
2012 - 2013	5,971
2013 - 2014	3,066
2014 - 2015	1,709
2015 - 2016	1,095
Thereafter	3,359
	$ 46,903

Note 8 Contingent Liabilities (in thousands)

At March 31, 2011 the Department is a defendant in four legal claims (2010 - five legal claims). Three of these claims have specified amounts totalling $493 and the remaining one has no specified amount (2010 – four claims with specified amounts of $5,334 and one with no specified amount). These claims are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2011

Note 9 Trust Funds Under Administration (in thousands)

The Ministry administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purposes of various trusts, it is not included in the Ministry's financial statements.

At March 31, 2011, trust fund under administration was as follows:

	2011	2010
Parks General Trust and Performance Deposits	$ 893	$ 915

In addition to the above trust fund under administration, the Ministry holds bank guarantees in the form of letters of credit in the amount of $44,333 (2010 – $42,028).

Note 10 Benefit Plans (in thousands)

The Ministry participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $4,089 for the year ended March 31, 2011 (2010 - $3,696).

At December 31, 2010 the Management Employees Pension Plan reported a deficiency of $397,087 (2009 - deficiency $483,199) and the Public Service Pension Plan reported a deficiency of $2,067,151 (2009 - deficiency $1,729,196). At December 31, 2010 the Supplementary Retirement Plan for Public Service Managers had a deficiency of $39,559 (2009 - deficiency $39,516).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2011, the Bargaining Unit Plan reported an actuarial deficiency of $4,141 (2010 – deficiency $8,335) and the Management, Opted Out and Excluded Plan an actuarial surplus of $7,020 (2010 – surplus $7,431). The expense for these two plans is limited to the employer's annual contributions for the year.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2011

Note 11 Comparative Figures

Certain 2010 figures have been reclassified to conform to the 2011 presentation.

Note 12 Approval of Consolidated Financial Statements

The consolidated financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	2011		2010
	Budget	Actual	Actual
Internal Government Transfers			
Transfer from the Lottery Fund	$ 23,279	$ 23,279	$ 34,620
Transfers from the Government of Canada	3,101	3,826	4,630
Investment Income			
Interest	275	583	483
Premiums, Fees and Licences			
Camping Fees	5,850	6,635	6,529
Lands and Grazing	1,208	1,184	1,163
Other	2,364	1,096	1,151
	9,422	8,915	8,843
Other Revenue			
Donations	1,670	982	1,037
Miscellaneous	2,269	4,372	4,259
Refunds of Expenses	230	(46)	(278)
Sales	420	349	371
	4,589	5,657	5,389
Total Revenues	$ 40,666	$ 42,260	$ 53,965

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 2
Credit or Recovery
Year ended March 31
(in thousands)

	2011		
	Authorized	Actual[a]	(Shortfall) / Excess
Parks Operations[b]	$ 9,496	$ 10,233	$ 737
Park Infrastructure Management[c]	3,584	1,709	(1,875)
	$ 13,080	$ 11,942	$ (1,138) [d]

[a] Revenues from credit or recovery initiatives are included in the Ministry's revenues in the Statement of Operations and Schedule 1.

[b] Parks collects various fees and other revenues that are used to partially offset the cost of providing services. These include fees for the use of campgrounds, park facilities and lands, heritage appreciation services (e.g. interpretive bus tours), as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others.

[c] Parks collects a levy for facility redevelopment.

[d] Shortfall is deducted from current year's authorized budget, as disclosed in Schedule 4 to the financial statements.

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 3
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2011		2010
	Budget	Actual	Actual
Voted			
Salaries, Wages and Employee Benefits	$ 54,306	$ 50,377	$ 53,464
Supplies and Services	64,826	66,994	78,981
Supplies and Services from Support Service Arrangements with Related Parties[a]	1,593	585	(149)
Grants	30,583	33,088	53,229
Financial Transactions and Other	6,370	116	126
Amortization of Tangible Capital Assets	18,292	15,856	13,800
	$ 175,970	$ 167,016	$ 199,451
Statutory			
Valuation Adjustments			
Provision for Doubtful Accounts	$ -	$ 2	$ 3
Provision for Environmental Obligations	-	-	1,366
Provision for Vacation Pay and Banked Overtime	110	42	343
	$ 110	$ 44	$ 1,712

[a] The Ministry received Freedom of Information and Protection of Privacy (FOIP) services from the Ministry of Finance and Enterprise and revenue services from the Ministry of Energy.

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 4
Budget
Year ended March 31
(in thousands)

	2010-11 Estimates	Adjustment [a]	2010-11 Budget	Authorized Supplementary		2010-11 Authorized Budget
Revenues						
Internal Government Transfers	$ 23,279	$ -	$ 23,279	$ -		$ 23,279
Transfers from the Government of Canada	3,101	-	3,101	914	[b], [c]	4,015
Investment Income	275	-	275	167	[d], [e]	442
Premiums, Fees and Licences	9,422	-	9,422	1,599	[f]	11,021
Other Revenue	4,589	-	4,589	1,547	[g], [h]	6,136
	40,666	-	40,666	4,227		44,893
Expenses – Directly Incurred						
Voted Expenses						
Ministry Support Services	7,226	-	7,226	500	[i]	7,726
Tourism	74,750	-	74,750	(6,828)	[j], [k]	67,922
Parks	65,280	-	65,280	4,180	[f], [i]	69,460
Recreation and Sport	28,714	-	28,714	(531)	[m]	28,183
Credit or Recovery Shortfall (Schedule 2)	-	(1,138)	(1,138)	-		(1,138)
	175,970	(1,138)	174,832	(2,679)		172,153
Statutory Expenses						
Valuation Adjustments						
Provision for Doubtful Accounts	-	-	-	-		-
Provision for Environmental Obligations	-	-	-	-		-
Provision for Vacation Pay and Banked Overtime	110	-	110	-		110
	110	-	110	-		110
Gain on Disposal of Tangible Capital Assets	-	-	-	-		-
Net Operating Results	$ (135,414)	$ (1,138)	$ (134,276)	$ 6,906		$ (127,370)
Equipment/Inventory Purchases	$ 1,198	$ -	$ 1,198	$ -		$ 1,198
Capital Investment	$ 19,492	$ -	$ 19,492	$ 730	[m], [n]	$ 20,222

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 4 (continued)
Budget
Year ended March 31
(in thousands)

(a) Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act*.
(b) Treasury Board approved funding of $831 on July 20, 2010 from Western Economic Diversification for park beautification projects.
(c) Increase funding from the Federal government for the Alberta Sport, Recreation, Parks and Wildlife Foundation of $83.
(d) Unbudgeted increase in investment revenue of $317 for Travel Alberta.
(e) Decrease in investment revenue of $150 for the Alberta Sport, Recreation, Parks and Wildlife Foundation.
(f) Treasury Board approved on July 20, 2010 an increase of $604 in dedicated revenue related to operational demands at various parks, and $345 to mitigate wildlife risks in Moose Lake Provincial Park. A $650 increase in dedicated revenue to mitigate wildlife risks in Cypress Hills Interprovincial Park was approved October 19, 2010.
(g) Recognition of a land donation for the Alberta Sport, Recreation, Parks and Wildlife foundation of $520. Increased conference sponsorship and other miscellaneous revenue of $67 for Alberta Sport, Recreation, parks and Wildlife Foundation.
(h) Increase in other partnership revenue for Travel Alberta of $960.
(i) A supplementary estimate of $500 was approved on March 14, 2011 for support of the ministry's information technology infrastructure.
(j) Treasury Board approved on October 27, 2010 a transfer of $1,300 to capital for the upgrade of parking facilities at Canmore Visitor Information Centre decreasing operating expense. Treasury Board also approved on March 14, 2011 an increase in funding of $1,200 to support Edmonton's Expo 2017 bid.
(k) Treasury Board approved a transfer of $375 to capital for customer relations software and restacking of workspaces within Travel Alberta from operating expense. Travel Alberta also lapsed $6,353 funding into contingency fund for future use.
(l) Treasury Board approved on October 27, 2010 a transfer of $2,581 to operating expense for replacement and repairs of park facilities, and snow grooming in Parks from capital investment.
(m) Treasury Board approved on October 27, 2010 a transfer to capital investment of $520 for a land donation to be used for conservation purposes and $11 for completion of the Imrie Park garage within the Alberta Sport, Recreation, Parks and Wildlife Foundation from operating expense.
(n) Treasury Board approved on July 20, 2010 a capital investment carry over from 2009-10 of $1,105. Treasury Board approved on October 27, 2010 a transfer of $1,300 to capital for the upgrade of parking facilities at Canmore Visitor Information Centre decreasing operating expense. Treasury Board approved on October 27, 2010 a transfer of $2,581 to operating expense for replacement and repairs of park facilities and snow grooming in Parks from capital investment. Treasury Board also approved on December 7, 2010 a transfer of $375 to capital for customer relations software and restacking of workspaces within Travel Alberta from operating expense.

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 5
Related Party Transactions
Year ended March 31
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the consolidated Statement of Operations and the consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2011	2010
Revenues		
Internal Government Transfers	$ 23,279	$ 34,620
Expenses – Directly Incurred		
Grants	$ 1,699	$ 1,882
Other Services	2,586	2,263
	$ 4,285	$ 4,145
Accounts Receivable	$ 499	$ -
Tangible Capital Assets Transferred In	$ 3,691	$ 12,327

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the consolidated financial statements but are disclosed in Schedule 6.

	Other Entities	
	2011	2010
Expenses – Incurred by Others		
Accommodation	$ 6,382	$ 7,402
Legal	355	275
Other	2,822	2,523
Parks Maintenance	1,090	1,430
	$ 10,649	$ 11,630

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 6
Allocated Costs
Year ended March 31
(in thousands)

	2011									2010
		Expenses – Incurred by Others				Valuation Adjustments [f]				
Program	Expenses [a]	Accommodation Costs [b]	Legal Services [c]	Other Services [d]	Parks Maintenance [e]	Provision for Doubtful Accounts	Provision for Environmental Obligations	Provision for Vacation Pay and Banked Overtime	Total Expenses	Total Expenses
Ministry Support Services	$ 7,387	$ 506	$ 65	$ 404	$ -	$ -	$ -	$ 4	$ 8,366	$ 8,289
Tourism	63,949	1,234	14	162	-	-	-	3	65,362	68,625
Parks	67,827	3,227	266	1,703	1,090	2	-	32	74,147	88,286
Recreation and Sport	27,879	1,415	10	553	-	-	-	3	29,860	47,593
	$167,042	$ 6,382	$ 355	$ 2,822	$ 1,090	$ 2	$ -	$ 42	$ 177,735	$ 212,793

[a] Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.
[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 5, allocated by square footage.
[c] Costs shown for Legal Services on Schedule 5, allocated by estimated costs incurred by each program.
[d] Costs shown for Other Services on Schedule 5, allocated by estimated costs incurred by each program.
[e] The Department of Transportation provided road and bridge maintenance to Parks. Costs shown for Parks Maintenance on Schedule 5, allocated to the program.
[f] Valuation Adjustments as per Statement of Operations. Provision for Environmental Obligations, Vacation Pay and Banked Overtime, and Doubtful Accounts provision included in Valuation adjustments were allocated as follows:

- Provision for Doubtful Accounts – allocated to the program
- Provision for Environmental Obligations – allocated to the program
- Provision for Vacation Pay and Banked Overtime – allocated to the program by employee

Ministry of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 7
Tangible Capital Assets
Year ended March 31
(in thousands)

	2011									2010
	General Capital Assets					Infrastructure Assets				
	Land[a]	Buildings[b]	Computer Hardware and Software	Equipment[c]	Other and Leasehold Improvements	Bridges	Highways and Roads	Land Improvements	Total	Total
Estimated Useful Life	Indefinite	10-50 years	5-8 years	3-25 years	10-20 years	60 years	50 years	40 years		
Historical Cost[d]										
Beginning of Year	$ 121,794	$ 190,412	$ 15,776	$ 30,996	$ 19,248	$ 3,210	$ 62,907	$ 187,565	$ 631,908	$ 599,306
Additions	-	(1,606)	3,340	1,450	436	20	4,782	9,120	17,542	22,484
Disposals, Including Write-Downs	-	(2,190)	(233)	(206)	(11)	-	(335)	(251)	(3,226)	(2,145)
Transfers to (from) Ministry	3,600	-	58	35	-	-	-	-	3,693	12,263
	$ 125,394	$ 186,616	$ 18,941	$ 32,275	$ 19,673	$ 3,230	$ 67,354	$ 196,434	$ 649,917	$ 631,908
Accumulated Amortization										
Beginning of Year	$ -	$ 78,607	$ 1,602	$ 14,387	$ 16,132	$ 1,006	$ 38,638	$ 93,201	$ 243,573	$ 230,982
Amortization Expense	-	5,085	1,812	2,207	180	48	1,877	4,647	15,856	13,800
Effect of Disposals	-	(1,068)	(124)	(202)	-	-	(281)	-	(1,675)	(1,145)
Effect of Transfer to (from) Ministry	-	-	-	2	-	-	-	-	2	(64)
	$ -	$ 82,624	$ 3,290	$ 16,394	$ 16,312	$ 1,054	$ 40,234	$ 97,848	$ 257,756	$ 243,573
Net Book Value at March 31, 2011	$ 125,394	$ 103,992	$ 15,651	$ 15,881	$ 3,361	$ 2,176	$ 27,120	$ 98,586	$ 392,161	
Net Book Value at March 31, 2010	$ 121,794	$ 111,805	$ 14,174	$ 16,609	$ 3,116	$ 2,204	$ 24,269	$ 94,364		$ 388,335

[a] Land includes endowments $2,050 (2010 - $2,050)
[b] Buildings include internally restricted buildings $194 (2010 - $190)
[c] Equipment includes network switches and routers, vehicles, heavy equipment, fire protection equipment, office equipment and furniture, and other equipment.
[d] Historical cost includes work-in-progress at March 31, 2011 totaling $25,306 (2010 - $64,962) comprised of: buildings $10,570 (2010 - $27,048); computer hardware and software $3,214 (2010 - $13,348); equipment $748 (2010 - $2,032); other $390 (2010 – $2,500); land improvements $9,974 (2010 - $19,083); highways $394 (2010 – $935) and bridges $16 (2010 - $16).

Department of Tourism, Parks and Recreation

Financial Statements
March 31, 2011

Department of Tourism, Parks and Recreation
Financial Statements
March 31, 2011

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Credit or Recovery

Schedule 3 – Expenses – Directly Incurred Detailed by Object

Schedule 4 – Budget

Schedule 5 – Comparison of Expenses - Directly Incurred, Equipment/Inventory Purchases and Capital Investment, Statutory Expenses, and Non-Budgetary Disbursements by Element to Authorized Budget

Schedule 6 – Salary and Benefits Disclosure

Schedule 7 – Related Party Transactions

Schedule 8 – Allocated Costs

Schedule 9 – Tangible Capital Assets

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Minister of Tourism, Parks and Recreation

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Tourism, Parks and Recreation, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Tourism, Parks and Recreation as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

June 8, 2011

Edmonton, Alberta

Department of Tourism, Parks and Recreation
Statement of Operations
Year ended March 31
(in thousands)

	2011		2010
	Budget (Schedule 4)	Actual	Actual
Revenues (Schedules 1 and 2)			
Internal Government Transfers	$ 23,279	$ 23,279	$ 34,620
Transfers from the Government of Canada	2,723	3,352	4,169
Premiums, Fees and Licences	9,232	8,551	8,429
Other Revenue	2,444	3,324	2,055
	37,678	38,506	49,273
Expenses – Directly Incurred (Note 2(b) and Schedule 8)			
Voted (Schedules 3 and 5)			
Ministry Support Services	7,226	7,387	7,120
Tourism	74,610	73,907	69,376
Parks	65,280	67,827	79,736
Recreation and Sport	25,714	25,800	44,090
	172,830	174,921	200,322
Statutory (Schedules 3 and 5)			
Valuation Adjustments			
Provision for Doubtful Accounts	-	2	3
Provision for Environmental Obligations	-	-	1,366
Provision for Vacation Pay and Banked Overtime	110	42	343
	110	44	1,712
	172,940	174,965	202,034
Gain (Loss) on Disposal of Tangible Capital Assets	-	(1,457)	9,283
Net Operating Results	$ (135,262)	$ (137,916)	$ (143,478)

The accompanying notes and schedules are part of these financial statements.

Department of Tourism, Parks and Recreation
Statement of Financial Position
As at March 31
(in thousands)

	2011	2010
Assets		
Cash	$ 996	$ 881
Accounts Receivable (Note 3)	2,520	7,147
	3,516	8,028
Tangible Capital Assets (Schedule 9)	389,347	385,504
	$ 392,863	$ 393,532
Liabilities		
Accounts Payable and Accrued Liabilities	$ 14,093	$ 15,014
Unearned Revenue	1,061	981
	15,154	15,995
Net Assets		
Net Assets at Beginning of Year	377,537	346,455
Net Operating Results	(137,916)	(143,478)
Net Financing Provided from General Revenues	138,088	174,560
Net Assets at End of Year	377,709	377,537
	$ 392,863	$ 393,532

Contractual obligations and contingent liabilities (Note 4 and 5).
The accompanying notes and schedules are part of these financial statements.

Department Tourism, Parks and Recreation
Statement of Cash Flows
Year ended March 31
(in thousands)

	2011	2010
Operating Transactions		
Net Operating Results	$ (137,916)	$ (143,478)
Non-cash Items Included in Net Operating Results		
Loss (Gain) on Disposal of Tangible Capital Assets	1,457	(9,283)
Amortization	15,731	13,689
Valuation Adjustments	44	1,362
	(120,684)	(137,710)
(Increase) Decrease in Accounts Receivable	4,625	(6,836)
Decrease in Accounts Payable and Accrued Liabilities	(963)	(5,702)
Increase in Unearned Revenue	80	453
Cash Applied to Operating Transactions	(116,942)	(149,795)
Capital Transactions		
Acquisition of Tangible Capital Assets	(17,344)	(22,092)
Proceeds on Disposal/Sale of Tangible Capital Assets	4	10,219
Transfers of Tangible Capital Assets	(3,691)	(12,043)
Cash Applied to Capital Transactions	(21,031)	(23,916)
Financing Transactions		
Net Financing Provided from General Revenues	138,088	174,560
Increase in Cash	115	849
Cash at Beginning of Year	881	32
Cash at End of Year	$ 996	$ 881

The accompanying notes and schedules are part of these financial statements.

Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2011

Note 1 Authority and Purpose

The Department of Tourism, Parks and Recreation (Department) operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Department is to enhance and preserve the quality of life for Albertans. This is done by:

- managing Alberta's provincial parks and protected areas,
- promoting recreational and sport opportunities, and
- facilitating tourism marketing and development.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Department of Tourism, Parks and Recreation, which is part of the Ministry of Tourism, Parks and Recreation (Ministry) and for which the Minister of Tourism, Parks and Recreation is accountable. The other entities reporting to the Minister are the Alberta Sport, Recreation, Parks and Wildlife Foundation and Travel Alberta. The activities of these organizations are not included in these financial statements. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing Provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return. Internal government transfers are recognized as revenue when received.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the Department may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the Department's credit or recovery initiatives.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for the current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and environmental obligations.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Department operations are not recognized and disclosed in Schedule 7 and allocated to programs in Schedule 8.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets (continued)

Assets acquired by right are not included. Tangible capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major system enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the asset is in use.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Environmental obligations are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Department and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Environmental obligations are included in accounts payable and accrued liabilities in the amount of $1,201 (2010 – $2,500) based on management's best estimates that reflect the most probable course of action. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

Note 3 Accounts Receivable (in thousands)

	2011			2010
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 2,526	$ 6	$ 2,520	$ 7,147
	$ 2,526	$ 6	$ 2,520	$ 7,147

Accounts receivable are unsecured and non-interest bearing.

Note 4 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Department to others that will become liabilities In the future when the terms of those contracts or agreements are met.

	2011	2010
Obligations Under Operating Leases, Contracts and Programs		
Capital Construction Contracts	$ 3,300	$ 7,275
Grant Agreements	-	145
Operating Leases	13	120
Service Contracts	12,745	12,593
	$ 16,058	$ 20,133

Estimated payment requirements for obligations under operating leases, contracts and programs for the next five years are as follows:

Obligation Under Operating Leases, Contracts and Programs

	Total
2011 - 2012	$ 10,950
2012 - 2013	2,581
2013 - 2014	1,924
2014 - 2015	579
2015 - 2016	24
	$ 16,058

Note 5 Contingent Liabilities (in thousands)

At March 31, 2011 the Department is a defendant in four legal claims (2010 - five legal claims). Three of these claims have specified amounts totalling $493 and the remaining one has no specified amount (2010 – four claims with specified amounts of $5,334 and one with no specified amount). These claims are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 6 Trust Funds Under Administration (in thousands)

The Department administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purposes of various trusts, it is not included in the Department's financial statements.

At March 31, 2011 trust fund under administration was as follows:

	2011	2010
Parks General Trust and Performance Deposits	$ 893	$ 915

In addition to the above trust fund under administration, the Department holds bank guarantees in the form of letters of credit in the amount of $44,333 (2010 – $42,028).

Note 7 Benefit Plans (in thousands)

The Department participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $3,508 for the year ended March 31, 2011 (2010 - $3,259).

At December 31, 2010 the Management Employees Pension Plan reported a deficiency of $397,087 (2009 – deficiency $483,199) and the Public Service Pension Plan reported a deficiency of $2,067,151 (2009 – deficiency $1,729,196). At December 31, 2010 the Supplementary Retirement Plan for Public Service Managers had a deficiency of $ 39,559 (2009 – deficiency $39,516).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2011, the Bargaining Unit Plan reported an actuarial deficiency of $4,141 (2010 – deficiency $8,335) and the Management, Opted Out and Excluded Plan an actuarial surplus of $7,020 (2010 – surplus $7,431). The expense for these two plans is limited to the employer's annual contributions for the year.

Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2011

Note 8 Comparative Figures

Certain 2010 figures have been reclassified to conform to the 2011 presentation.

Note 9 Approval of Consolidated Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	2011		2010
	Budget	Actual	Actual
Internal Government Transfers			
Transfer from the Lottery Fund	$ 23,279	$ 23,279	$ 34,620
Transfers from the Government of Canada	2,723	3,352	4,169
Premiums, Fees and Licences			
Camping Fees	5,850	6,635	6,529
Lands and Grazing	1,208	1,184	1,163
Other	2,174	732	737
	9,232	8,551	8,429
Other Revenue			
Miscellaneous	2,234	3,391	2,345
Refunds of Expenses	210	(110)	(310)
Sales	-	43	20
	2,444	3,324	2,055
Total Revenues	$ 37,678	$ 38,506	$ 49,273

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 2
Credit or Recovery
Year ended March 31
(in thousands)

	2011		
	Authorized	Actual[a]	(Shortfall) / Excess
Parks Operations[b]	$ 9,496	$ 10,233	$ 737
Park Infrastructure Management[c]	3,584	1,709	(1,875)
	$ 13,080	$ 11,942	$ (1,138)[d]

(a) Revenues from credit or recovery initiatives are included in the Department's revenues in the Statement of Operations and Schedule 1.

(b) Parks collects various fees and other revenues that are used to partially offset the cost of providing services. These include fees for the use of campgrounds, park facilities and lands, heritage appreciation services (e.g. interpretive bus tours), as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others.

(c) Parks collects a levy for facility redevelopment.

(d) Shortfall is deducted from current year's authorized budget, as disclosed in Schedule 4 and 5 to the financial statements.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 3
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2011		2010
	Budget	Actual	Actual
Voted			
Salaries, Wages and Employee Benefits	$ 48,325	$ 45,402	$ 48,418
Supplies and Services	24,637	28,125	34,705
Supplies and Services from Support Service Arrangements with Related Parties[a]	1,593	1,941	1,711
Grants	84,485	87,931	106,313
Financial Transactions and Other	162	101	106
Amortization of Tangible Capital Assets	18,140	15,731	13,689
Total Voted Expenses before Recoveries	177,342	179,231	204,942
Less Recovery from Support Service Arrangements with Related Parties[b]	(4,512)	(4,310)	(4,620)
	$ 172,830	$ 174,921	$ 200,322
Statutory			
Valuation Adjustments			
Provision for Doubtful Accounts	$ -	$ 2	$ 3
Provision for Environmental Obligations	-	-	1,366
Provision for Vacation Pay and Banked Overtime	110	42	343
	$ 110	$ 44	$ 1,712

[a] The Department received Freedom of Information and Protection of Privacy services from the Department of Finance and Enterprise; and Human Resources, Policy, Planning and Legislative services from the Department of Culture and Community Spirit.

[b] The Department provided financial and administrative services to the Alberta Sport, Recreation, Parks and Wildlife Foundation of the Ministry of Tourism, Parks and Recreation, and Information Management and Technology services to the Department of Culture and Community Spirit. Costs incurred by the Department for these services were recovered from the Alberta Sport, Recreation, Parks and Wildlife Foundation and the Department of Culture and Community Spirit.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 4
Budget
Year ended March 31
(in thousands)

	2010-11 Estimates	Adjustment [a]	2010-11 Budget	Authorized Supplementary		2010-11 Authorized Budget
Revenues						
Internal Government Transfers	$ 23,279	$ -	$ 23,279	$ -		$ 23,279
Transfers from the Government of Canada	2,723	-	2,723	831	[b]	3,554
Premiums, Fees and Licences	9,232	-	9,232	1,599	[c]	10,831
Other Revenue	2,444	-	2,444	-		2,444
	37,678	-	37,678	2,430		40,108
Expenses – Directly Incurred						
Voted Expenses						
Ministry Support Services	7,226	-	7,226	500	[d]	7,726
Tourism	74,610	-	74,610	(100)	[e], [f]	74,510
Parks	65,280	-	65,280	4,180	[c], [h]	69,460
Recreation and Sport	25,714	-	25,714	-		25,714
Credit or Recovery Shortfall (Schedule 2)	-	(1,138)	(1,138)	-		(1,138)
	172,830	(1,138)	171,692	4,580		176,272
Statutory Expenses						
Valuation Adjustments						
Provision for Doubtful Accounts	-	-	-	-		-
Provision for Environmental Obligations	-	-	-	-		-
Provision for Vacation Pay and Banked Overtime	110	-	110	-		110
	110	-	110	-		110
Gain on Disposal of Tangible Capital Assets	-	-	-	-		-
Net Operating Results	$ (135,262)	$ (1,138)	$ (134,124)	$ (2,150)		$ (136,274)
Equipment/Inventory Purchases	$ 1,198	$ -	$ 1,198	$ -		$ 1,198
Capital Investment	$ 19,492	$ -	$ 19,492	$ (176)	[g], [h]	$ 19,316

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 4 (continued)
Budget
Year ended March 31
(in thousands)

(a) Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act*.
(b) Treasury Board approved funding of $831 on July 20, 2010 from Western Economic Diversification for park beautification projects.
(c) Treasury Board approved on July 20, 2010 an increase of $604 in dedicated revenue related to operational demands at various parks, and $345 to mitigate wildlife risks in Moose Lake Provincial Park. A $650 increase in dedicated revenue to mitigate wildlife risks in Cypress Hills Interprovincial Park was approved October 19, 2010.
(d) A supplementary estimate of $500 was approved on March 14, 2011 for support of the ministry's information technology infrastructure.
(e) Treasury Board approved on October 27, 2010 a transfer of $1,300 to capital for the upgrade of parking facilities at Canmore Visitor Information Centre decreasing operating expense.
(f) Treasury Board approved on March 14, 2011 an increase in funding of $1,200 to support Edmonton's Expo 2017 bid.
(g) Treasury Board approved on July 20, 2010 a capital investment carry over from 2009-10 of $1,105. Treasury Board also approved on October 27, 2010 a transfer of $1,300 to capital for the upgrade of parking facilities at Canmore Visitor Information Centre decreasing operating expense.
(h) Treasury Board approved on October 27, 2010 a transfer of $2,581 to operating expense for replacement and repairs of park facilities, and snow grooming in Parks from capital investment.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 5
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment, Statutory Expenses, and Non-Budgetary Disbursements by Element to Authorized Budget
Year ended March 31
(in thousands)

Voted Expense, Equipment/Inventory Purchases and Capital Investment	2010-2011 Estimates	Adjustments [a]	2010-2011 Budget	Authorized Supplementary		2010-2011 Authorized Budget	2010-2011 Actual	Unexpended (Over Expended)
1 Ministry Support Services								
1.0.1 Minister's Office	$ 535	$ -	$ 535	$ -		$ 535	$ 536	$ (1)
1.0.2 Deputy Minister's Office	650	-	650	-		650	656	(6)
1.0.3 Strategic Corporate Services	3,874	-	3,874	500	[b]	4,374	4,175	199
1.0.4 Corporate Costs								
- Expense	1,018	-	1,018	-		1,018	892	126
- Equipment/Inventory Purchases	-	-	-	-		-	-	-
1.0.5 Communications	350	-	350	-		350	319	31
1.0.6 Human Resources	799	-	799	-		799	809	(10)
	7,226	-	7,226	500		7,726	7,387	339
2 Tourism								
2.0.1 Program Support								
- Expense	600	-	600	-		600	655	(55)
- Equipment/Inventory Purchases	-	-	-	-		-	9	(9)
2.0.2 Tourism Information Services								
-Expense	3,456	-	3,456	(1,300)	[c]	2,156	4,270	(2,114)
-Equipment/Inventory Purchases	-	-	-	-		-	525	(525)
-Capital Investment	-	-	-	1,300	[c]	1,300	26	1,274
2.0.3 Tourism Product Development								
-Expense	4,259	-	4,259	-		4,259	3,684	575
-Equipment/Inventory Purchases	-	-	-	-		-	-	-
2.0.4 Parks Tourism Visitor Services								
-Expense	1,415	-	1,415	-		1,415	1,420	(5)
2.0.5 Major Athletic Event Tourism Services								-
-Expense	973	-	973	-		973	657	316
-Equipment/Inventory Purchases	-	-	-	-		-	-	-
2.0.6 Tourism Strategy								
-Expense	1,088	-	1,088	-		1,088	886	202
2.0.7 Tourism Business Development Research and Investment								
-Expense	4,131	-	4,131	1,200	[d]	5,331	3,647	1,684
2.0.7 Assistance to Travel Alberta								
Expense	58,688	-	58,688	-		58,688	58,688	-
	74,610	-	74,610	1,200		75,810	74,467	1,343

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 5 (continued)
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment, Statutory Expenses, and Non-Budgetary Disbursements by Element to Authorized Budget
Year ended March 31
(in thousands)

Voted Expense, Equipment/Inventory Purchases and Capital Investment	2010-2011 Estimates	Adjustments[a]	2010-2011 Budget	Authorized Supplementary	2010-2011 Authorized Budget	2010-2011 Actual	Unexpended (Over Expended)
3 Parks							
3.0.1 Program Support							
-Expense	486	-	486	-	486	494	(8)
3.0.2 Parks Policy and Planning							
-Expense	4,764	-	4,764	-	4,764	4,227	537
3.0.3 Parks Operations							
-Expense	37,082	-	37,082	297 [f]	37,379	40,229	(2,850)
-Equipment/Inventory Purchases	220	-	220	-	220	178	42
3.0.4 Parks Infrastructure Management							
-Expense	5,092	-	5,092	3,883 [e], [f]	8,975	7,363	1,612
-Equipment/Inventory Purchases	978	-	978	-	978	237	741
-Capital Investment	19,492	-	19,492	(1,476) [f], [g]	18,016	16,371	1,645
3.0.5 Nominal Sum Disposals	-	-	-	-	-	-	-
3.0.6 Amortization of Capital Assets	17,856	-	17,856	-	17,856	15,514	2,342
	85,970	-	85,970	2,704	88,674	84,613	4,061
4 Recreation and Sport							
4.0.1 Program Support							
-Expense	460	-	460	-	460	909	(449)
4.0.2 Recreation and Sports Services							
-Expense	1,975	-	1,975	-	1,975	1,612	363
4.0.3 Recreation and Sport Facilities Grants							
-Expense	-	-	-	-	-	-	-
4.0.4 Hosting Major Athletic Events							
-Expense	-	-	-	-	-	-	-
4.0.5 Assistance to the Alberta Sport, Recreation, Parks and Wildlife Foundation							
Expense funded by Lotteries	23,279	-	23,279	-	23,279	23,279	-
4.0.6 2010 Olympic and Paralympic Games	-	-	-	-	-	-	-
	25,714	-	25,714	-	25,714	25,800	(86)
Dedicated Revenue Shortfall (Schedule 2)	-	(1,138)	(1,138)	-	(1,138)	-	(1,138)
Total Voted Expenses	$ 193,520	$ (1,138)	$ 192,382	$ 4,404	$ 196,786	$ 192,267	$ 4,519

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 5 (continued)
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment, Statutory Expenses, and Non-Budgetary Disbursements by Element to Authorized Budget
Year ended March 31
(in thousands)

Voted Expense, Equipment/Inventory Purchases and Capital Investment	2010-2011 Estimates	Adjustments[a]	2010-2011 Budget	Authorized Supplementary	2010-2011 Authorized Budget	2010-2011 Actual	Unexpended (Over Expended)
Expense	$ 149,551	$ (1,138)	$ 148,413	$ 4,580	$ 152,993	$ 151,642	$ 1,351
Expense funded by Lotteries	23,279	-	23,279	-	23,279	23,279	-
Equipment/Inventory Purchases	1,198	-	1,198	-	1,198	949	249
	174,028	(1,138)	172,890	4,580	177,470	175,870	1,600
Capital Investment	19,492	-	19,492	(176)	19,316	16,397	2,919
Total Voted Expenses	$ 193,520	$ (1,138)	$ 192,382	$ 4,404	$ 196,786	$ 192,267	$ 4,519
Statutory Expenses							
Valuation Adjustments							
Provision for Vacation Pay and Banked Overtime	$ 110	$ -	$ 110	$ -	$ 110	$ 42	$ 68
Provision for Environmental Obligations	-	-	-	-	-	-	-
Provision for Doubtful Accounts	-	-	-	-	-	2	(2)
	$ 110	$ -	$ 110	$ -	$ 110	$ 44	$ 66
	193,630	(1,138)	192,492	4,404	196,896	192,311	4,585
Non-Budgetary Disbursements							
2 Parks							
2.0.4 Parks Infrastructure Management	$ 2,500	$ -	$ 2,500	$ -	$ 2,500	$ 1,299	$ 1,201
	$ -	$ -	$ -	$ -	$ -	$ -	$ -

(a) Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act*.
(b) A supplementary estimate of $500 was approved on March 14, 2011 for support of the ministry's information technology infrastructure.
(c) Treasury Board approved on October 27, 2010 a transfer of $1,300 to capital for the upgrade of parking facilities at Canmore Visitor Information Centre decreasing operating expense.
(d) Treasury Board approved on March 14, 2011 an increase in funding of $1,200 to support Edmonton's Expo 2017 bid.
(e) Treasury Board approved on July 20, 2010 an increase of $604 in dedicated revenue related to operational demands at various parks, and $345 to mitigate wildlife risks in Moose Lake Provincial Park. A $650 increase in dedicated revenue to mitigate wildlife risks in Cypress Hills Interprovincial Park was approved October 19, 2010.
(f) Treasury Board approved on October 27, 2010 a transfer of $2,581 to operating expense for replacement and repairs of park facilities, and snow grooming in Parks from capital investment.
(g) Treasury Board approved a capital investment carry over of $1,105.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 6
Salary and Benefits Disclosure
Year ended March 31
(in thousands)

	2011				2010
	Base Salary [a]	Other Cash Benefits [b]	Other Non-cash Benefits [c]	Total	Total
Deputy Minister	$ 258	$ 2	$ 64	$ 324	$ 326
Executives					
Assistant Deputy Minister, Tourism Division [d]	176	19	42	237	238
Assistant Deputy Minister, Parks Division	185	2	22	209	234
Executive Director, Human Resources [e]	152	2	37	191	188
Assistant Deputy Minister, Recreation and Sport Division [d]	150	2	38	190	178
Executive Director, Policy, Planning and Legislative Services [e]	147	1	37	185	188
Executive Director, Financial Services	131	2	32	165	195
Executive Director, Information Management and Technology [d] [e]	108	1	26	135	189

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(a) Base salary includes pensionable base pay.

(b) Other cash benefits include vacation payouts and lump sum payments. There were no bonuses paid in 2011.

(c) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plan, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

(d) This position was occupied by two individuals through the year.

(e) The incumbent's services are shared with the Department of Culture and Community Spirit which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this Schedule.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 7
Related Party Transactions
Year ended March 31
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2011	2010	2011	2010
Revenues				
Internal Government Transfers	$ -	$ -	$ 23,279	$ 34,620
Expenses – Directly Incurred				
Grants	$ 81,967	$ 81,709	$ 94	$ 98
Other Services	-	-	2,496	2,216
	$ 81,967	$ 81,709	$ 2,590	$ 2,314
Accounts Receivable	$ -	$ 577	$ 499	$ -
Tangible Capital Assets Transferred In (Out)	$ -	$ (220)	$ 3,691	$ 12,327

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 7 (continued)
Related Party Transactions
Year ended March 31
(in thousands)

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 8.

	Entities in the Ministry		Other Entities	
	2011	2010	2011	2010
Recoveries				
Services Provided	$ 4,310	$ 4,620	$ -	$ -
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 5,090	$ 5,725
Legal	-	-	345	275
Other	-	-	2,462	2,523
Parks Maintenance	-	-	1,090	1,430
	$ -	$ -	$ 8,987	$ 9,953

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 8
Allocated Costs
Year ended March 31
(in thousands)

	2011									2010
		Expenses – Incurred by Others				Valuation Adjustments [f]				
Program	Expenses [a]	Accommodation Costs [b]	Legal Services [c]	Other Services [d]	Parks Maintenance [e]	Provision for Doubtful Accounts	Provision for Environmental Obligations	Provision for Vacation Pay and Banked Overtime	Total Expenses	Total Expenses
Ministry Support Services	$ 7,387	$ 506	$ 65	$ 404	$ -	$ -	$ -	$ 4	$ 8,366	$ 8,289
Tourism	73,907	1,234	14	162	-	-	-	3	75,320	70,952
Parks	67,827	3,227	266	1,703	1,090	2	-	32	74,147	88,286
Recreation and Sport	25,800	123	-	193	-	-	-	3	26,119	44,460
	$174,921	$ 5,090	$ 345	$ 2,462	$ 1,090	$ 2	$ -	$ 42	$ 183,952	$ 211,987

(a) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.
(b) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 7, allocated by square footage.
(c) Costs shown for Legal Services on Schedule 7, allocated by estimated costs incurred by each program.
(d) Costs shown for Other Services on Schedule 7, allocated by estimated costs incurred by each program.
(e) The Department of Transportation provided road and bridge maintenance to Parks. Costs shown for Parks Maintenance on Schedule 7, allocated to the program.
(f) Valuation Adjustments as per Statement of Operations. Provisions for Environmental Obligations, Vacation Pay and Banked Overtime, and Doubtful Accounts included in Valuation adjustments were allocated as follows:
- Provision for Doubtful Accounts – allocated to the program.
- Provision for Environmental Obligations – allocated to the program.
- Provision for Vacation Pay and Banked Overtime – allocated to the program by employee.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 9
Tangible Capital Assets
Year ended March 31
(in thousands)

	2011									2010
	General Capital Assets					Infrastructure Assets				
	Land	Buildings	Computer Hardware and Software	Equipment[a]	Other and Leasehold Improvements	Bridges	Highways and Roads	Land Improvements	Total	Total
Estimated Useful Life	Indefinite	10-50 years	5-8 years	3-25 years	10-20 years	60 years	50 years	40 years		
Historical Cost [b]										
Beginning of Year	$ 119,680	$ 190,157	$ 15,530	$ 30,955	$ 18,897	$ 3,210	$ 62,907	$ 187,550	$ 628,886	$ 596,896
Additions	-	(1,617)	3,188	1,450	401	20	4,782	9,120	17,344	22,092
Disposals, Including Write-Downs	-	(2,190)	(31)	(206)	(11)	-	(335)	(251)	(3,024)	(2,145)
Transfers to (from) Department	3,600	-	58	35	-	-	-	-	3,693	12,043
	$ 123,280	$ 186,350	$ 18,745	$ 32,234	$ 19,287	$ 3,230	$ 67,354	$ 196,419	$ 646,899	$ 628,886
Accumulated Amortization										
Beginning of Year	$ -	$ 78,529	$ 1,510	$ 14,373	$ 16,126	$ 1,006	$ 38,638	$ 93,200	$ 243,382	$ 230,902
Amortization Expense	-	5,077	1,739	2,202	141	48	1,877	4,647	15,731	13,689
Effect of Disposals	-	(1,068)	(12)	(202)	-	-	(281)	-	(1,563)	(1,145)
Effect of Transfer to (from) Department	-	-	-	2	-	-	-	-	2	(64)
	$ -	$ 82,538	$ 3,237	$ 16,375	$ 16,267	$ 1,054	$ 40,234	$ 97,847	$ 257,552	$ 243,382
Net Book Value at March 31, 2011	$ 123,280	$ 103,812	$ 15,508	$ 15,859	$ 3,020	$ 2,176	$ 27,120	$ 98,572	$ 389,347	
Net Book Value at March 31, 2010	$ 119,680	$ 111,628	$ 14,020	$ 16,582	$ 2,771	$ 2,204	$ 24,269	$ 94,350		$ 385,504

[a] Equipment includes network switches and routers, vehicles, heavy equipment, fire protection equipment, office equipment and furniture, and other equipment.

[b] Historical cost includes work-in-progress at March 31, 2011 totaling $25,306 (2010 - $64,962) comprised of: buildings $10,570 (2010 - $27,048); computer hardware and software $3,214 (2010 - $13,348); equipment $748 (2010 - $2,032); other $390 (2010 – $2,500); land improvements $9,974 (2010 - $19,083); highways $394 (2010 – $935) and bridges $16 (2010 - $16).

Travel Alberta

Financial Statements
March 31, 2011

Travel Alberta
Financial Statements
March 31, 2011

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Expenses – Directly Incurred Detailed by Object

Schedule 3 – Salary and Benefits Disclosure

Schedule 4 – Related Party Transactions

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Board of Directors of Travel Alberta and the Minister of Tourism, Parks and Recreation

Report on the Financial Statements

I have audited the accompanying financial statements of Travel Alberta, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Travel Alberta as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

May 19, 2011

Edmonton, Alberta

Travel Alberta
Statement of Operations
Year ended March 31
(in thousands)

	2011		2010
	Budget	Actual	Actual
Revenues (Schedule 1)			
Internal Government Transfers	$ 58,688	$ 58,688	$ 56,589
Investment Income	-	425	361
Premiums, Fees and Licences	-	173	172
Other Revenue	-	1,056	2,029
	58,688	60,342	59,151
Expenses – Directly Incurred (Note 2(b) and Schedule 2)			
Regional Marketing	12,900	13,769	10,832
International Marketing	18,882	13,793	16,971
Tourism Destination Regions	7,095	7,020	7,095
Consumer and Media Relations	3,355	8,788	9,022
Corporate Operations	16,596	5,334	10,118
	58,828	48,704	54,038
	(140)	11,638	5,113
Loss on Disposal of Tangible Capital Assets	-	(90)	-
Net Operating Results	$ (140)	$ 11,548	$ 5,113

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Statement of Financial Position
As at March 31
(in thousands)

	2011	2010
Assets		
Cash (Note 3)	$ 20,410	$ 6,500
Accounts Receivable (Note 4)	188	976
Prepaid Expenses (Note 4)	10	105
	20,608	7,581
Tangible Capital Assets (Note 5)	484	499
	$ 21,092	$ 8,080
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 4,211	$ 2,747
Net Assets		
Net Assets – Unrestricted	484	499
Net Assets – Sustainability Fund (Note 7)	16,397	4,834
Net Assets	16,881	5,333
	$ 21,092	$ 8,080

Contractual obligations (Note 8)

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Statement of Cash Flows
Year ended March 31
(in thousands)

	2011	2010
Operating Transactions		
Net Operating Results	$ 11,548	$ 5,113
Non-cash Items Included in Net Operating Results		
Amortization	112	98
Loss on Disposal of Tangible Capital Assets	90	-
	11,750	5,211
Decrease (Increase) in Accounts Receivable	788	(976)
Decrease (Increase) in Prepaid Expenses	95	(105)
Increase in Accounts Payable and Accrued Liabilities	1,464	2,747
Cash Provided by Operating Transactions	14,097	6,877
Capital Transactions		
Acquisition of Tangible Capital Assets	(187)	(377)
Transfers of Tangible Capital Assets	-	(220)
Cash Used for Capital Transactions	(187)	(597)
Financing Transactions		
Net Financing from Tourism, Parks and Recreation	-	220
Increase in Cash	13,910	6,500
Cash at Beginning of Year	6,500	-
Cash at End of Year	$ 20,410	$ 6,500

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2011

Note 1 Authority and Purpose

Travel Alberta (the "Corporation") operates under the authority of the *Travel Alberta Act*, Chapter T-6.5, Statutes of Alberta 2008. The Corporation's results are consolidated into the Ministry of Tourism, Parks and Recreation (Ministry), which operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Corporation is to:

- market tourism assets, attractions and opportunities present in Alberta, in domestic, national and international markets,
- promote Alberta as a destination for tourists and other visitors,
- assist Alberta's tourism industry operators to market their products, and
- exercise or perform any other powers, duties and functions as may be regulated from time to time by the Lieutenant Governor in Council.

The Corporation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is Travel Alberta, which is part of the Ministry and for which the Minister is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

Substantially all of the Corporation's revenue is from the Province of Alberta's allocation of the Tourism Levy

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Revenue from partners is cash received for specific marketing projects. The revenue is recognized as the projects take place. Investment income is recognized as revenue as earned.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

The Province of Alberta allocates a portion of the Tourism Levy to the Corporation. The Corporation allocated the Tourism Levy to revenue equally over the fiscal year.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return. Internal government transfers are recognized as revenue when received.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Corporation has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for the current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, and long-term disability.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Corporation are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Assets acquired by right are not included. Tangible capital assets of the Corporation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major system enhancements is $100,000. The threshold for all other tangible capital assets is $10,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the asset is in use.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Measurement Uncertainty

In preparing the Corporation's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Note 3 Cash (in thousands)

	2011	2010
Consolidated Cash Investment Trust Fund	$ 14,932	$ 5,742
Cash in Other Bank Accounts	5,478	758
	$ 20,410	$ 6,500

Cash consists of funds in operating accounts and deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2011, securities held by the CCITF have a time-weighted return of 1.1% per annum (2010 – 1.0% per annum).

Note 4 Accounts Receivable and Prepaid Expenses (in thousands)

	2011			2010
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 193	$ 5	$ 188	$ 976
Prepaid Expenses	10	-	10	105
	$ 203	$ 5	$ 198	$ 1,081

Accounts receivable are unsecured and non-interest bearing.

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2011

Note 5 Tangible Capital Assets (in thousands)

	2011			2010
	Computer Hardware and Software	Leasehold Improvements	Total	Total
Estimated Useful Life	3 years	10 years		
Historical Costs				
Beginning of Year	$ 246	$ 351	$ 597	$ -
Additions	152	35	187	377
Disposals, Including Write Downs	(202)	-	(202)	-
Transfer from (to) the Department	-	-	-	220
	196	386	582	597
Accumulated Amortization				
Beginning of Year	92	6	98	-
Amortization Expense	73	39	112	98
Effect of Disposals	(112)	-	(112)	-
	53	45	98	98
Net Book Value at March 31, 2011	$ 143	$ 341	$ 484	
Net Book Value at March 31, 2010	$ 154	$ 345		$ 499

Note 6 Accounts Payable and Accrued Liabilities (in thousands)

	2011	2010
Trade Accounts Payable	$ 2,189	$ 927
Other Accounts Payable	2,022	697
Lease Contract Liability	-	1,123
	$ 4,211	$ 2,747

Note 7 Net Assets – Sustainability Fund (in thousands)

	2011	2010
Balance, beginning of year	$ 4,834	$ -
Increase (decrease) – as budgeted	8,206	5,659
Increase (decrease) – net operating results over (under) budget	3,357	(825)
Balance, end of year	$ 16,397	$ 4,834

The Sustainability Fund, approved by the Board of Directors, has been created to allow sustainability of programs in future years when declines in the tourism levy funding would otherwise have required reductions in the program spending.

Note 8 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Corporation to others that will become liabilities in the future when the terms of the contracts or agreements are met.

	2011	2010
Obligations Under Operating Leases, Contracts and Programs		
Grant Agreements	$ 7,095	$ 14,190
Operating Leases	7,393	8,123
Service Contracts	15,661	36,427
	$ 30,149	$ 58,740

Estimated payment requirements for obligations under operating leases, contracts and programs for the next five years and thereafter are as follows:

Obligation Under Operating Leases, Contracts and Programs

	Total
2011 - 2012	$ 20,408
2012 - 2013	3,257
2013 - 2014	1,009
2014 - 2015	1,053
2015 - 2016	1,064
Thereafter	3,358
	$ 30,149

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2011

Note 9 Benefit Plans (in thousands)

The Corporation participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $581 for the year ended March 31, 2011 (2010 - $438).

At December 31, 2010 the Management Employees Pension Plan reported a deficiency of $397,087 (2009 deficiency $483,199) and the Public Service Pension Plan reported a deficiency of $2,067,151 (2009 deficiency $1,729,196). At December 31, 2010 the Supplementary Retirement Plan for Public Service Managers had a deficiency of $39,559 (2009 deficiency $39,516).

Note 10 Comparative Figures

Certain 2010 figures have been reclassified to conform to the 2011 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Travel Alberta
Schedule to the Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	2011		2010
	Budget	Actual	Actual
Internal Government Transfers			
Transfer from the Department of Tourism, Parks and Recreation	$ 58,688	$ 58,688	$ 56,589
Investment Income			
Interest	-	425	361
Premiums, Fees and Licences			
Other	-	173	172
Other Revenue			
Sponsorship	-	126	149
Revenue from Partners	-	930	1,880
	-	1,056	2,029
Total Revenues	$ 58,688	$ 60,342	$ 59,151

Travel Alberta
Schedule to the Financial Statements – Schedule 2
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2011		2010
	Budget	Actual	Actual
Salaries, Wages and Employee Benefits	$ 5,981	$ 4,975	$ 4,962
Supplies and Services	39,404	36,582	41,863
Grants	7,095	7,020	7,095
Financial Transactions and Other	6,208	15	20
Amortization of Tangible Capital Assets	140	112	98
	$ 58,828	$ 48,704	$ 54,038

Travel Alberta
Schedule to the Financial Statements - Schedule 3
Salary and Benefits Disclosure
Year ended March 31
(in thousands)

	2011				2010
	Base Salary[a]	Other Cash Benefits[b]	Other Non-cash Benefits[c]	Total	Total
Chairman of the Board	$ -	$ 31	$ -	$ 31	$ 27
Board Members[d]	-	42	6	48	66
Executives					
Chief Executive Officer	190	18	49	257	231
Vice President, Marketing	145	8	30	183	76
Vice President, Corporate Services[e]	121	1	23	145	-
Executive Director, Corporate Communication	121	1	24	146	125
Executive Director, Industry Consulting[f]	9	-	2	11	-

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(a) Base salary includes pensionable base pay.
(b) Other cash benefits include honoraria and vacation payouts. There were no bonuses paid in 2011.
(c) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plan, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
(d) The board consists of nine independent members including the Chairman, whose honorarium is disclosed separately. In addition, the Deputy Minister of Tourism, Parks and Recreation sits on the Board but receives no compensation from the Corporation.
(e) The Vice President, Corporate Services position was occupied from May 3, 2010.
(f) The Executive Director, Industry Consulting position was occupied from March 7, 2011.

Travel Alberta
Schedule to the Financial Statements – Schedule 4
Related Party Transactions
Year ended March 31
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Corporation and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Corporation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2011	2010	2011	2010
Revenues				
Internal Government Transfers	$ 58,688	$ 56,589	$ -	$ -
Expenses – Directly Incurred				
Other services	$ 1	$ 1	$ 58	$ 29
Tangible Capital Assets Transferred From				
Others	$ -	$ 220	$ -	$ -
Accounts Payable	$ -	$ 577	$ 35	$ -

Alberta Sport, Recreation, Parks and Wildlife Foundation

Financial Statements
March 31, 2011

Alberta Sport, Recreation, Parks and Wildlife Foundation
Financial Statements
March 31, 2011

Independent Auditor's Report

Statement of Operations

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Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Expenses – Directly Incurred Detailed by Object

Schedule 3 – Related Party Transactions

Schedule 4 – Allocated Costs

Schedule 5 – Tangible Capital Assets

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Members of Alberta Sport, Recreation, Parks and Wildlife Foundation and the Minister of Tourism, Parks and Recreation

Report on the Financial Statements

I have audited the accompanying financial statements of the Alberta Sport, Recreation, Parks and Wildlife Foundation, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Sport, Recreation, Parks and Wildlife Foundation as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

June 8, 2011

Edmonton, Alberta

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Operations
Year ended March 31
(in thousands)

	2011					2010
	Budget	Unrestricted Fund	Restricted Fund	Endowment Restricted Fund	Total Actual	Total Actual
Revenues (Schedule 1)						
Internal Government Transfers	$ 23,279	$ 23,279	$ -	$ -	$ 23,279	$ 25,120
Transfers from the Government of Canada	378	474	-	-	474	461
Investment Income	275	133	25	-	158	122
Premiums, Fees and Licences	190	191	-	-	191	242
Other Revenue	2,145	1,046	231	-	1,277	1,305
	26,267	25,123	256	-	25,379	27,250
Expenses – Directly Incurred (Note 2(b) and Schedules 2 and 4)						
Provincial Programs	16,657	15,847	65	-	15,912	17,529
Alberta and Interprovincial Games	3,265	3,039	155	-	3,194	2,682
Active Lifestyles	1,916	1,914	-	-	1,914	2,092
High Performance Athlete Assistance	1,010	1,033	-	-	1,033	1,058
Municipal Recreation / Tourism Areas	1,493	1,474	-	-	1,474	1,474
Provincial and Regional Development	710	709	-	-	709	709
Percy Page Centre (Note 8)	420	329	-	-	329	358
Parks and Wildlife Ventures	369	240	52	-	292	317
Other Initiatives	25	30	34	-	64	135
Administration	414	430	7	-	437	446
	26,279	25,045	313	-	25,358	26,800
Net Operating Results	(12)	78	(57)	-	21	450
Fund Balances at Beginning of Year		798	4,071	426	5,295	4,845
Fund Balances at End of Year		$ 876	$ 4,014	$ 426	$ 5,316	$ 5,295

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Financial Position
As at March 31
(in thousands)

	2011	2010
Assets		
Cash (Note 3)	$ 2,688	$ 3,382
Accounts Receivable (Note 4)	231	296
Prepaid Expenses and Inventory (Note 4)	58	44
	2,977	3,722
Restricted Cash (Note 3)	426	426
Tangible Capital Assets (Schedule 5)	2,330	2,332
	$ 5,733	$ 6,480
Liabilities		
Accounts Payable and Accrued Liabilities	$ 380	$ 1,185
Unearned Revenue	37	-
	417	1,185
Fund Balances		
Unrestricted	876	798
Restricted (Note 6)	4,014	4,071
Endowment Restricted (Note 7)	426	426
	5,316	5,295
	$ 5,733	$ 6,480

Contractual obligations (Note 10)

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Cash Flows
Year ended March 31
(in thousands)

	2011	2010
Operating Transactions		
Net Operating Results	$ 21	$ 450
Non-cash Items Included in Net Operating Results		
Amortization	13	13
	34	463
Decrease in Accounts Receivable	65	456
(Increase) Decrease in Prepaid Expenses and Inventory	(14)	28
Decrease in Accounts Payable and Accrued Liabilities	(805)	(169)
Increase in Unearned Revenue	37	-
Cash (Applied to) Provided by Operating Transactions	(683)	778
Capital Transactions		
Acquisition of Tangible Capital Assets	(11)	(15)
Cash Applied to Capital Transactions	(11)	(15)
(Decrease) Increase in Cash	(694)	763
Cash at Beginning of Year	3,808	3,045
Cash at End of Year	$ 3,114	$ 3,808

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2011

Note 1 Authority and Purpose

The Alberta Sport, Recreation, Parks and Wildlife Foundation (Foundation) operates under the authority of the *Alberta Sport, Recreation, Parks and Wildlife Foundation Act*, Chapter A-34, Revised Statutes of Alberta 2000.

The purpose of the Foundation is to support enhancement of sport, recreation, parks and wildlife programs for all Albertans.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Alberta Sport, Recreation, Parks and Wildlife Foundation, which is part of the Ministry of Tourism, Parks and Recreation (Ministry) and for which the Minister of Tourism, Parks and Recreation is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Fund Accounting

Transactions are grouped, for accounting and reporting purposes, into funds in accordance with specified activities or objectives. These funds are described as follows:

- Unrestricted fund accounts for revenues and expenses associated with the primary activities of the Foundation.
- Endowment fund accounts for contributions received under various agreements with sponsors and matching funds provided by the Foundation. Interest earned on the existing endowment funds can only be used to fund various sport programs, and are therefore recorded as part of the restricted fund. The principal must remain intact.
- Restricted fund accounts for non-government contributions received for which donors have specified the purpose, restricted interest earned, related expenses incurred, and funds restricted by the Board of Directors.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return. Internal government transfers are recognized as revenue when received.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are not recognized and disclosed in Schedule 3 and allocated to programs in Schedule 4.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets

Financial assets of the Foundation are limited to financial claims, such as advances to and receivables from other organizations and individuals, as well as inventories held for resale.

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the first in, first out basis

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major system enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the asset is in use.

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks are reported as revenue and expenses at their fair value when fair value can be reasonably determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2011

Note 3 Cash and Restricted Cash (in thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2011, securities held by the CCITF have a time-weighted return of 1.1% per annum (2010 – 1.0% per annum).

Cash in the amount of $1,630 (2010 - $1,685) has been externally restricted and $140 (2010 - $146) has been internally restricted, and is therefore not available to pay for operating expenses (Notes 6 and 7).

Restricted Cash on the statement of financial position of $426 (2010 - $426) is related to endowments.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Accounts Receivable, Prepaid Expenses and Inventory (in thousands)

	2011			2010
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 231	$ -	$ 231	$ 296
Inventory	30	-	30	20
Prepaid Expenses	28	-	28	24
	$ 289	$ -	$ 289	$ 340

Accounts receivable are unsecured and non-interest bearing.

Note 5 Artworks (in thousands)

The Ministry has a collection of artworks consisting of 19 (2010 - 19) prints of the Waterfowl of North America Collection #1250 with an approximate value of $5 (2010 - $5). There were no artwork dispositions (2010 – Nil) or acquisitions (2010– Nil) during the year.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2011

Note 6 Restricted Fund (in thousands)

	2011	2010
Investment in Land and Buildings[a]	$ 2,244	$ 2,240
Externally Restricted Funds	1,630	1,685
Internally Restricted Funds	140	146
	$ 4,014	$ 4,071

[a] The land and buildings are governed by restrictions that require the Foundation to use these assets for its programs.

Note 7 Endowment Restricted Fund (in thousands)

	2011	2010
Externally Restricted Contributions	$ 228	$ 228
Internally Restricted Matching Funds	198	198
	$ 426	$ 426

Note 8 Percy Page Centre

The Foundation operates the Percy Page Centre, Edmonton, to provide accommodation and office services to not-for-profit organizations. These organizations are charged for their use of office equipment, supplies and print shop facilities.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2011

Note 9 Honoraria (in thousands)

	2011			2010
	Honoraria[a]	Benefits and Allowances[b]	Total	Total
Board[c]				
Chair	$ 13	$ -	$ 13	$ 21
Other Members (9)	75	-	75	63
	$ 88	$ -	$ 88	$ 84

[a] The Foundation has no employees. Staff of the Department of Tourism, Parks and Recreation administers the Foundation. Disclosure of information on their salaries and benefits, a requirement under Treasury Board Directive 03/2004, is included in the financial statements of the Department of Tourism, Parks and Recreation.

[b] No benefits were provided to board members.

[c] Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2011

Note 10 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2011	2010
Obligations Under Operating Leases, Contracts and Programs		
Grant Agreements	$ 223	$ 495
Operating Leases	342	444
Service Contracts	131	110
	$ 696	$ 1,049

Estimated payment requirements for obligations under operating leases, contracts and programs for the next five years as follows:

Obligation Under Operating Leases, Contracts and Programs	Total
2011 - 2012	$ 346
2012 - 2013	133
2013 - 2014	133
2014 - 2015	77
2015 - 2016	7
	$ 696

Note 11 Comparative Figures

Certain 2010 figures have been reclassified to conform to the 2011 presentation.

Note 12 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	2011					2010
	Budget	Unrestricted Fund	Restricted Fund	Endowment Restricted Fund	Total Actual	Total Actual
Internal Government Transfers						
Transfers from the Department of Tourism, Parks and Recreation	$ 23,279	$ 23,279	$ -	$ -	$ 23,279	$ 25,120
Transfers from the Government of Canada	378	474	-	-	474	461
Investment Income						
Interest	275	133	25	-	158	122
Premiums, Fees and Licences						
Alberta Games Registration Fees	175	183	-	-	183	177
Alberta's Future Leaders Fees	15	8	-	-	8	13
Conference Fees	-	-	-	-	-	52
	190	191	-	-	191	242
Other Revenue						
Donations	1,670	629	227	-	856	888
Miscellaneous	35	51	-	-	51	34
Refunds of Expenses	20	64	-	-	64	32
Sales						
Percy Page Centre	420	302	-	-	302	344
Parks and Wildlife Ventures	-	-	4	-	4	7
	2,145	1,046	231	-	1,277	1,305
Total Revenues	$ 26,267	$ 25,123	$ 256	$ -	$ 25,379	$ 27,250

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 2
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2011		2010
	Budget	Actual	Actual
Honoraria (Note 10)	$ 55	$ 88	$ 84
Supplies and Services	2,288	2,199	2,413
Supplies and Services from Support Service Arrangements with Related Parties[a]	2,954	2,954	2,760
Grants	20,970	20,104	21,530
Amortization of Tangible Capital Assets	12	13	13
	$ 26,279	$ 25,358	$ 26,800

[a] The Foundation receives financial and administrative services from the Department of Tourism, Parks and Recreation.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 3
Related Party Transactions
Year ended March 31
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2011	2010	2011	2010
Revenues				
Internal Government Transfers	$ 23,279	$ 25,120	$ -	$ -
Expenses – Directly Incurred				
Grants	$ -	$ -	$ 1,605	$ 1,784
Other services	-	-	13	18
	$ -	$ -	$ 1,618	$ 1,802
Accounts Payable	$ -	$ 3	$ -	$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2011	2010	2011	2010
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 1,292	$ 1,453
Legal	10	-	-	-
Other	360	186	-	-
	$ 370	$ 186	$ 1,292	$ 1,453

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 4
Allocated Costs
Year ended March 31
(in thousands)

	2011					2010
		Expenses – Incurred by Others				
Program	Expenses [a]	Accommodation Costs [b]	Legal [c]	Other Services [d]	Total Expenses	Total Expenses
Provincial Programs	$ 15,912	$ 32	$ -	$ 115	$ 16,059	$ 17,625
Alberta and Interprovincial Games	3,194	135	-	130	3,459	2,901
Active Lifestyles	1,914	8	-	14	1,936	2,108
High Performance Athlete Assistance	1,033	-	-	-	1,033	1,058
Municipal Recreation / Tourism Areas	1,474	7	-	18	1,499	1,491
Provincial and Regional Development	709	-	-	4	713	711
Percy Page Centre (Note 8)	329	1,087	-	14	1,430	1,589
Parks and Wildlife Ventures	292	7	10	21	330	335
Other Initiatives	64	-	-	4	68	137
Administration	437	16	-	40	493	485
	$ 25,358	$ 1,292	$ 10	$ 360	$ 27,020	$ 28,440

[a] Expenses – Directly Incurred as per Statement of Operations.
[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square footage.
[c] Costs shown for Legal Services on Schedule 3, allocated by estimated costs incurred by each program.
[d] Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 5
Tangible Capital Assets
Year ended March 31
(in thousands)

	2011						2010
	Unrestricted Assets		Restricted Assets[a]				
	Land	Equipment	Land	Buildings	Land Improvements	Total	Total
Estimated Useful Life	Indefinite	5 - 10 years	Indefinite	40 years	40 years		
Historical Costs							
Beginning of Year	$ 64	$ 41	$ 2,050	$ 255	$ 15	$ 2,425	$ 2,410
Additions	-	-	-	11	-	11	15
Disposals, Including Write-Downs	-	-	-	-	-	-	-
	$ 64	$ 41	$ 2,050	$ 266	$ 15	$ 2,436	$ 2,425
Accumulated Amortization							
Beginning of Year	$ -	$ 14	$ -	$ 78	$ 1	$ 93	$ 80
Amortization Expense	-	5	-	8	-	13	13
Effect of Disposal	-	-	-	-	-	-	-
	$ -	$ 19	$ -	$ 86	$ 1	$ 106	$ 93
Net Book Value at March 31, 2011	$ 64	$ 22	$ 2,050	$ 180	$ 14	$ 2,330	
Net Book Value at March 31, 2010	$ 64	$ 27	$ 2,050	$ 177	$ 14		$ 2,332

[a] Restricted for use in the Parks and Wildlife Ventures program.

Other Information

Ministry of Tourism, Parks and Recreation
Statements of Write-Offs
Year Ended March 31, 2011

The following information is unaudited:

The following statement has been prepared pursuant to Section 23 of the *Financial Administration Act* and is unaudited. This statement includes all write-offs made or approved during the fiscal period.

Write-offs	
Accounts Receivable	$ 21,639
Total Write-offs	$ 21,639

Acts Administered by Tourism, Parks and Recreation

Tourism, Parks and Recreation is responsible for a wide array of acts that have a direct impact on quality of life in Alberta. Below is a list of all acts administered by Tourism, Parks and Recreation. If you would like to review these acts in more detail, they are included on the ministry's website (http://www.tpr.alberta.ca/about/legislation.aspx).

Name of Act	Description
Alberta Sport, Recreation, Parks and Wildlife Foundation Act	Establishes the foundation with its mandate to develop and maintain sport, parks and recreation programs, facilities and services.
Black Creek Heritage Rangeland Trails Act	Provides for the establishment, protection and management of the Black Creek Heritage Rangeland Trails.
Provincial Parks Act	Provides for the establishment, protection and management of provincial parks and provincial recreation areas.
Recreation Development Act	Provides for promoting and encouraging the orderly development of recreational activities and facilities.
Travel Alberta Act	Establishes the corporation with its mandate to market the tourism assets, attractions and opportunities present in Alberta in domestic, national and international markets; to promote Alberta as a destination for tourists and other visitors; and to assist Alberta's tourism industry operators to market their products.
Wilderness Areas, Ecological Reserves, Natural Areas and Heritage Rangelands Act	Provides for the establishment, protection and management of wilderness areas, ecological reserves, natural areas and heritage rangelands.
Willmore Wilderness Park Act	Establishes and protects the Willmore Wilderness Park.

Performance Measures: Data Sources and Methodology

Tourism Division Client Satisfaction Survey
(Measure: 1.a)

The Client Satisfaction Survey was conducted with public and private sector representatives who had received tourism development information, advice and assistance from the Tourism Division. Banister Research and Consulting Inc. was responsible for reviewing the survey and questionnaire design, data quality control, analysis and report preparation. Respondents were given the choice of completing the survey online or by telephone. Data for the online surveys was collected from March 22 to 28, 2011, and telephone interviews were held from March 23 to April 1, 2011, resulting in 116 survey completions. Overall results were determined using the top two combined response categories of a five-point rating scale for the categories: very satisfied, somewhat satisfied, neutral, somewhat dissatisfied and very dissatisfied. The response rate for the survey was 74.4 per cent and the margin of error is +/- 5.3 per cent 19 times out of 20.

Statistics Canada, Travel Survey of Residents of Canada and the International Travel Survey, and Tourism, Parks and Recreation
(Measure: 1.b)

The total value of tourism expenditures in Alberta is derived by Tourism, Parks and Recreation from the data published by Statistics Canada in the Travel Survey of Residents of Canada and the International Travel Survey.

Final year-end data for both surveys are usually not available until September of the following year. The estimate for 2010 is based on travel statistics that provide an indication of demand, such as customs counts at Alberta's land based ports of entry and airports, anecdotal information from the Pre-Summer Alberta Tourism Operator Survey, and deplanements at Calgary and Edmonton international airports. Deplanement statistics provided by airports measure the number of passengers arriving on all flights at the airports. Also, deplanements include both domestic and international passengers where customs counts at the airport only measure the number of passengers clearing Canada Customs. For example, customs counts at Calgary and Edmonton international airports do not measure international travelers that clear customs elsewhere in Canada (e.g., Pearson International Airport or Vancouver International Airport) and then took a connecting flight to either Calgary or Edmonton.

Gate counts at Banff, Jasper, Waterton Lakes and Elk Island national parks are also used to provide additional information on demand. In addition, occupancy rate information collected by Smith Travel Research is used to determine the demand for fixed-roof lodging in the mountain parks, Edmonton and Calgary. Travel intention data produced by the Canadian Tourism Research Institute are also applied to estimate demand from Alberta's key domestic markets of British Columbia, Saskatchewan and Ontario. In addition to indicators of demand, estimates of the Travel Price Index are forecast to assist with tourism expenditure projections.

Visitor Information Centre Satisfaction Survey
(Measure: 1.c)

Data was obtained from the visitor information centre exit survey conducted by the research firm, Ipsos Reid Corporation. The research firm conducted exit interviews at 10 visitor information centres between July 23 and August 23, 2010. The centres include: Canmore, Field, Crowsnest Pass, West Glacier, Lloydminster, Oyen, Walsh, Milk River, Hinton and Grande Prairie. To ensure a variety of travellers were included, the interviews were spread across weekends and weekdays, during the peak visitor season. Respondents were asked to rate the service on a scale of 1 to 5, where 1 means very dissatisfied and 5 means very satisfied. In 2010, 1,001 onsite exit surveys were conducted. The margin of error is +/- 3.1 per cent, 19 times out of 20.

Travel Alberta Interactive Voice Response Survey
(Measure 1.d)

Data are obtained from a survey that is offered to all callers to 1-800-ALBERTA. Data was collected from January 1 to December 31, 2010. The sample size is dependent on the number of calls handled by the contact centre and the proportion of callers who choose to participate. In 2010, 2,092 surveys were completed. Respondents were asked to rate the service on a scale of 1 to 5, where 1 means very satisfied and 5 means very dissatisfied. A rating of 1 or 2 indicates the caller was satisfied with the service provided. The response rate for the survey is 15.6 per cent and the margin of error is +/- 2 per cent, 19 times out of 20.

How Are We Doing? Provincial Parks and Recreation Areas Camper Satisfaction Survey
(Measure: 2.a)

The camper satisfaction survey covers a representative cross-section of 105 provincial parks or recreation area campgrounds that are surveyed according to size (visitation), management method and geography. Only automobile accessible campgrounds where visitation is greater than 1,050 occupied campsite nights are included. Each year, the survey is conducted at approximately one quarter of these campgrounds on a four-year rotational basis. Although 28 campgrounds were identified to be surveyed in 2010-11, one campground was excluded due to unforeseen circumstances (i.e., insufficient resources), one was excluded due to flooding, and two campgrounds were excluded from the analysis due to inadequate sample size. Overall results are determined through the combined response categories of very satisfied and satisfied, the top two categories of a five-point rating scale. The sample size was 2,539 with data collected from June 1 to September 6, 2010. The response rate for the survey was 36.9 per cent and the margin of error is +/- 1.9 per cent, 19 times out of 20.

Tourism, Parks and Recreation Survey of Albertans
(Measure: 3.a)

The Tourism, Parks and Recreation Survey of Albertans is a province-wide telephone survey of 1,000 adult Albertans. Leger Marketing conducted this survey using a random sample stratified by age group, gender and geographic location to be representative of Alberta's population. Albertans were asked if they had participated in a recreational activities such as walking, bicycling, skiing, golfing, skating, swimming and amateur sports in the past year. Interviews were conducted from January 13 to February 1, 2011 by trained and experienced interviewers. The interviews were monitored in progress and at least 10 per cent of each interviewer's work was directly monitored. The response rate for the survey was 34.7 per cent and the margin of error is +/-3.1 per cent, 19 times out of 20.

Canadian Community Health Survey
(Measure: 3.b)

This methodology pertains to 2009 when this survey was last conducted.

The percentage of Albertans age 12-19 who are active or moderately active in their leisure time is derived from the data published by Statistics Canada Canadian Community Health Survey. Respondents were asked if they had participated in a recreational activity such as walking, bicycling, skiing, golfing, skating, swimming and amateur sports in the past three months. The result is based on a combination of questions on the type, frequency and duration of each of the identified activities (e.g., walking for exercise, skiing, weight training, golfing, exercise classes, etc). The survey was conducted between January and December 2009 by trained and experienced interviewers. The response rate for the survey was 71.8 per cent and the margin of error is +/-4.6 per cent, 19 times out of 20.

Readership Survey

Tourism, Parks and Recreation
2010-11 Annual Report

Thank you for reading the Tourism, Parks and Recreation 2010-11 Annual Report. We hope that you will take a few minutes to complete this readership survey. We are committed to continuous improvement and welcome your feedback and suggestions.

Instructions: Please read each question carefully and circle the rating that best describes your response. If you require more space for your response, please use a separate piece of paper and identify the corresponding question clearly. If you have any questions, or require further clarification, please call Brad Babiak at 780-644-3272 or send an email to Brad.Babiak@gov.ab.ca.

If you would like to be contacted regarding your feedback, please provide your information below.

Name:
Organization:
Telephone Number:
Email:

1. Having reviewed and read through the Tourism, Parks and Recreation 2010-11 Annual Report, how would you rate it overall on the following characteristics? Using a scale of one to five, where ONE is STRONGLY DISAGREE, THREE is NEUTRAL, and FIVE is STRONGLY AGREE, do you agree that... *(Please circle only one rating number for each statement.)*

	Strongly Disagree		Neutral		Strongly Agree
I learned something new about the ministry by reading this report	1	2	3	4	5
This annual report is easy to read	1	2	3	4	5
This annual report was informative and useful to me	1	2	3	4	5
The report has an appealing format/look	1	2	3	4	5
I can easily find information that I am looking for	1	2	3	4	5
I plan on using this annual report as a reference	1	2	3	4	5
Overall, this annual report meets my needs as a reader	1	2	3	4	5

2. What areas or features did you like the most about this annual report?

3. What areas or features would you recommend for further improvement?

Please tear out this survey and fax it to 780-427-0255, mail it to Tourism, Parks and Recreation, Planning and Performance Measurement, 7th Floor, Standard Life Centre, 10405 Jasper Avenue, Edmonton, Alberta, Canada, T5J 4R7, or email comments to tpr.communications@gov.ab.ca

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Government of Alberta

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